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City of Dover

New Hampshire

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2013

Balance Sheet

Statement of Financial Position - Fund Balances
for the Fiscal Year Ended June 30, 2013

Statement of Revenues, Expenditures, and Changes in
Fund Balances

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds to
the Statement of Activities

Statement of Revenues and Other Financing Sources, and
Expenditures and Other Financing Uses - Budget and Actual -
General Fund

CITY OF DOVER, NEW HAMPSHIRE
Comprehensive Annual Financial Report
For the Year Ended June 30, 2013

Prepared by:
The Finance Department

Daniel R. Lynch
Finance Director

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INTRODUCTORY SECTION

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City Manager

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City of Dover, New Hampshire OFFICE OF THE CITY MANAGER

December 31, 2013

To the Honorable Mayor and members of the City Council:

City Charter Section C6-12, Independent Audit, requires an annual independent audit of all City accounts at least annually. This Comprehensive Annual Financial Report (CAFR), including the opinion of the independent auditor, is published to fulfill that requirement for the fiscal year ending June 30, 2013.

The CAFR covers all funds of the City of Dover that by law, City Charter, or other fiduciary obligation, the City has become obligated to administer in connection with its responsibility for providing services.

This report consists of management's representations concerning the finances of the City of Dover. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making the representations, management has established comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The City's financial statements have been audited by Macpage LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements for fiscal year ended June 30, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based on their audit, that there was reasonable basis for rendering an unqualified opinion that the financial statements for the fiscal year ended June 30, 2013, are fairly presented in conformity with generally accepted accounting principles (GAAP).

The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of the federal grantor agencies. The standards governing Single Audit engagements require the independent auditors to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). Users of this CAFR are encouraged to read this Letter of Transmittal in conjunction with the City's MD&A section found immediately following the report of the independent auditors.

Profile of Government

Geography Dover, New Hampshire is located ten miles from the Atlantic Ocean in southern New Hampshire and is 48 miles south of Portland, Maine and 68 miles north of Boston, Massachusetts. Situated at the confluence of the Cochecho, Salmon Falls and Bellamy Rivers, Dover is a major New Hampshire industrial, employment, and distribution center for the seacoast. Dover provides a gateway to both the Maine coast and the White Mountains of New Hampshire. The City of Dover occupies an area of 29 square miles and serves a population of 29,987, based on the 2010 Census.

The City of Dover, settled in 1623, is the oldest continuous settlement in New Hampshire and the seventh oldest in the United States. It was incorporated on June 29, 1855. The City Charter adopted on March 9, 1977, remained in effect until a new charter was passed on November 8, 2005 and effective January 1, 2006. Only minor changes were made versus the old charter. On November 6, 2007, the charter was amended establishing a limitation on annual budget increases. On November 10, 2010 the New Hampshire Supreme Court ruled that the November 6, 2007 charter amendment is invalid since it is contrary to state law. In the 2011 session of the State legislature, authorization for municipalities to adopt charter amendments for budget or tax levy limitations was enacted. On November 8, 2011 the charter was amended to change the language establishing the limitation on annual budget increases to a limitation on annual property tax levy increases. Dover operates under the council-manager form of government. Dover is the seat of Strafford County.

Services The City of Dover provides a full range of services, including police and fire protection, the construction and maintenance of streets and other infrastructure, sanitation services such as solid waste disposal and recycling, water distribution, wastewater collection and treatment, recreational and cultural events and education from kindergarten through grade 12 with a regional vocational center and alternative high school opportunities.

Governing Boards The City Council, consisting of nine members, is the legislative body elected in non-partisan elections every two years, with one representative from each of six wards, two elected at-large and a Mayor. The City Council is responsible, among other things, for passing ordinances, adopting the annual budget, adopting a six year capital improvements program, adopting bond authorizations, appointing committees and boards, and hiring of the City Manager. The City of Dover is empowered by state statute to levy property taxes on real property located within its boundaries to fund operations.

The Dover School Department is a dependent school district. The City Council has bottom line appropriation authority for the School Department budget. The seven member Dover School Board is elected in non-partisan elections every two years and has authority to allocate and move appropriations within its budget.

Administration Administrative functions are carried out by the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Council, compliance with State and Federal laws, for overseeing the day-to-day operations of the government, for appointing the heads of the various departments, for negotiating with the various bargaining units of the City and making recommendations to the City Council on various issues.

Administrative functions of the dependent School district are carried out by the School Board. The Board is responsible for carrying out policies and procedures, compliance with State and Federal laws, overseeing the day to day operations of the dependent School district, negotiating with the various bargaining units, making appointments of school personnel, establishing curriculum and addressing various issues.

Fiscal Year and Budget The City's fiscal year begins on July 1st of each year and ends the following June 30th. The City's budget process commences in the fall of each year with the Capital Improvements Program budget. All capital spending of \$25,000 or more for items with useful lives of 3 years or longer are included in this budget. Based on City Council financing policy, items are identified for bonding, annual operating budget or other type of financing.

Items identified for the annual operating budget are included in the next City Manager's recommended annual budget. Departments are responsible for submitting their annual budget request to the City Manager. After reviews with the departments, the City Manager makes any final adjustments to his recommended budget. The City Manager's recommended annual budget for the next fiscal year, which includes the School Board request, is due to the City Council by April 15th of each year.

The City Council may add to, or cut from, the Manager's recommended annual budget by majority vote; however, the City Council must pass the budget by June 15th after separate public hearings for the City and School budgets and the budget becomes effective July 1. If the City Council does not adopt the budget by June 15th, the City Manager's recommended budget takes effect July 1.

After the original budget is adopted, the City Manager may make appropriation transfers within a non-school department or transfer between non-school departments with City Council approval. After initial adoption, the City Council may amend the budget by two-thirds vote.

Factors Affecting Financial Condition

Local Economy The local economic environment over the past fiscal year has shown moderate improvement. Specific sectors, which have done better include advanced manufacturing, commercial multi-unit residential construction as well as a variety of services involving marketing and management consulting, healthcare, fitness and cleaning. General retail areas continue to show single digit, but consistent improvement.

Economic development activity continues to support local business retention and expansion despite the continued restrictions of critically important credit and financing availability for local small businesses and business start-ups.

Through aggressive business relocation outreach, coupled with stringent municipal spending restraints in the City's operations, Dover has successfully brought over 50 new/expanded businesses and 450 jobs to the City in the last five years.

The expanding healthcare industry in the City, its proximity to UNH, Pease Tradeport, and the Portsmouth Shipyard have continued to add stability and diversity to the economic mix and has kept Dover unemployment well below that of New Hampshire, New England, the surrounding communities, as well as the nation. Continuing to be the fastest growing City in New Hampshire continues to help Dover statistics as well. Dover's 10.4% growth rate of households with children under the age of 18 has kept a younger population demographic for the City over the past decade.

New Hampshire's GDP and labor force, in moderate decline since 2008, has now stabilized to some extent. The labor force of Dover has continued to grow about 1% per year with slight variations above and below that trend line. Dover now has approximately 3% more jobs than it had in 2008 at the start of the recession.

Dover's local current unemployment rate is 4.2% which is 0.6% lower than this time last year. The City's unemployment rate has consistently been lower than that of the United States as a whole, (7.3%) and the State of New Hampshire (5.1%). At the end of fiscal year 2013, the rate continued to show a slight decrease, while the national unemployment rate remained relatively flat.

In combination with the current economic environment and unemployment levels the median per capita income in Dover was \$31,344 and median family income was \$80,830.

The number of motor vehicle permits was consistent with 30,516 in FY13 as compared to 30,838 in FY 12. The number of building permits increased from 381 in FY12 to 436 in FY13 and the average permit value increased from \$62,427 to \$114,858.

Multi-Unit residential development has increased markedly in the City with moderate commercial growth during fiscal year 2013. This growth includes projects downtown (construction of 16 apartment units at the intersection of Silver Street and Central Avenue), on the waterfront (the Dickenson Development project), as well as smaller rehabilitation projects along Central Avenue.

A consultant retained to work with the Planning Department and Planning Board to review the zoning along the roadways leading to and from downtown has developed preliminary draft regulations. These changes to the zoning code would increase flexibility along these roadways, while defining a look and feel for the built environment. A goal of this work is to reinforce the City's commitment to fostering a strong downtown core, which continues to foster growth and development. Residential sales continue to improve moderately as inventory scarcity, rising mortgage rates and selling prices combined with more stringent down payment and credit quality requirements from lenders bring buyers and sellers into the market in the short term but put a brake on the long term growth prospects.

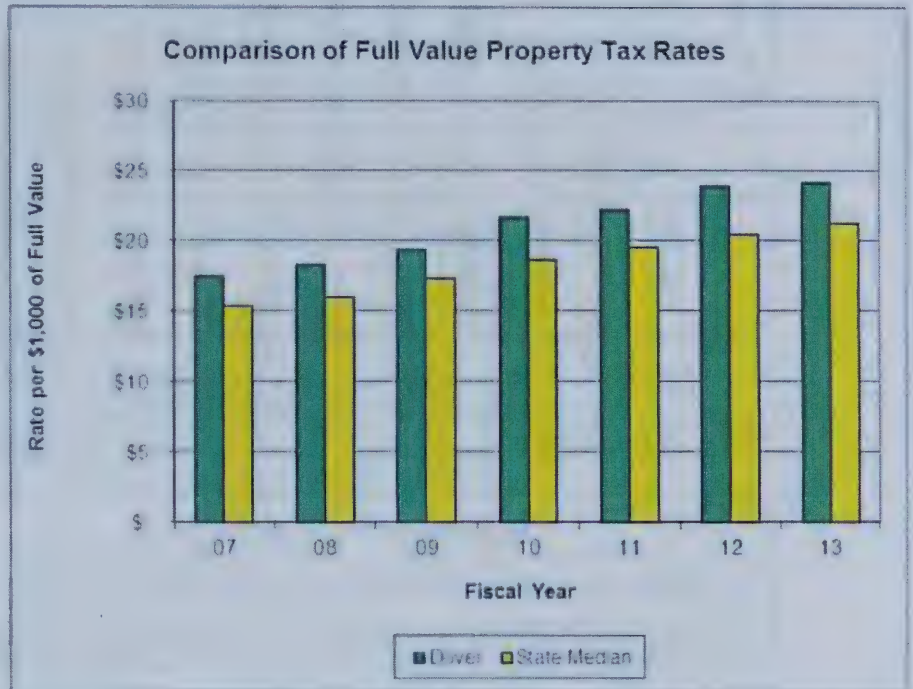
The First Street development, a \$12,250,000 mixed use development on a 30-40% utilized City owned parking lot is expected to provide a \$275,000 annual tax ratable minimum guaranteed for at least 24 years. Based upon the strong interest in this parcel, the City is reviewing opportunities to convert three other City owned parking lots into sites for redevelopment. These downtown infill projects will continue to keep the City core vibrant.

Three companies are putting in brewpubs in the downtown. In 2011, the conversion of 120,000 square feet of office space within the Cocheco Millworks into 120 residential units was approved. Demand was so strong that the first two phases of conversion were merged into one phase, and 74 of the 120 planned apartments are completed and fully occupied. The remaining 46 are due to start construction this fiscal year, if the demand remains steady.

Enterprise Park is now being considered for new builds by three companies both as expansions of current tenants and for relocation from out of state. Land options for a second Economic Development Park are being identified. Enterprise Park has netted \$2.4 million in taxes to date and is now providing \$497,000 in property taxes every year along with 420 jobs from 15 companies in residence. A new park would add depth to Dover's non-residential market, and would allow for more diversity in footprints, so that Dover would continue to be an attractive location for businesses looking for development sites ranging from 25,000 square feet buildings to over 100,000 square feet. Currently, Dover has not fully taken advantage of this potential.

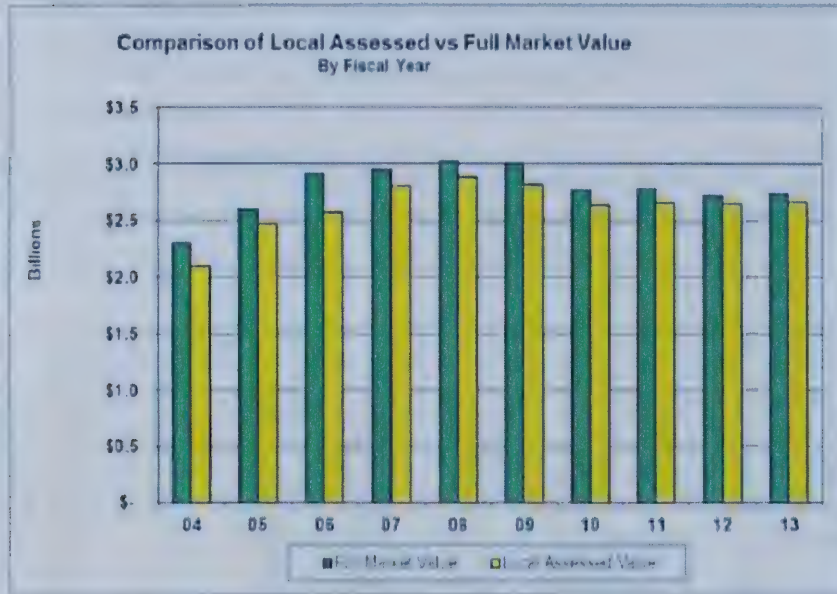
The Exit 9 corridor off the Spaulding Turnpike, in addition to the 100,000 square feet medical practice building in full occupancy, now has a large dental facility and a dialysis center in operation, both with significant business success and full employment. This corridor, anchored by Liberty Mutual, continues to attract larger commercial and industrial users to the City and continues to be a benchmark for economic development activities.

The City's full value property tax rate remained stable in comparison to the NH State median. The median reflects the mid-point of all rates in the State. Because Dover remains approximately at the median, this means that about half of the tax rates in the State are higher than Dover's and about half are lower. This is a good measure of tax burden as all municipal assessed values are brought to full market value and tax rates equalized.

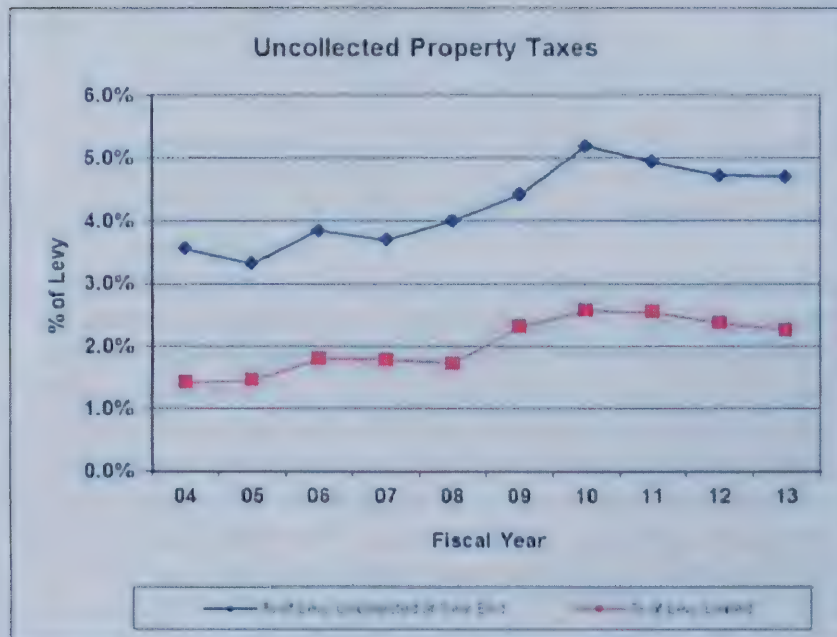


The level of real estate transactions in Dover during the past year has seen a strong increase, reaching pre-recession levels. The real estate sales activity in Dover for FY13 was 904 transactions versus 742 for FY12. This level of activity represents transfers of 9.1% of taxable parcels during FY13 increasing 1.6% from the level of 7.5% in FY12. In conjunction with this activity, the number of taxable parcels increased from 9,899 in FY12 to 9,950 in FY13, a 0.5% increase. The stable growth of taxable parcels in combination with an increase of property values has resulted in the estimated equalized property value per capita changing from \$89,532 for FY12 to \$89,979 in FY13, an increase of 0.5% for the fiscal year.

Full market value as determined by the NH Department of Revenue Administration



increased 0.7% during the fiscal year. Assessed value as a ratio of full market value was 97.0%. In the second half of fiscal year 2013 the City's assessed property values appeared to have some increase based on sales data. As of April 1, 2013 the City's overall assessed values demonstrated a 1.37% increase in value over the prior year.



The percentage of uncollected taxes for the current tax levy at the end of fiscal year 2013 was 4.7%, this is consistent with 4.7% in FY12 (actual amount increasing to \$3.1 million from \$3.0 million). There were 305 parcels from the current tax levy with outstanding taxes that had a lien placed, down from 355 last year. The number of delinquent parcels

decreased by 50 or 14.1%. The dollar amount of the liens decreased to 2.3% of the tax levy as compared to 2.4% for last year. The actual amount of the executed lien decreased 1.5% from \$1,563,176 to \$1,539,994.

Financial Position The City's General Fund ended Fiscal Year 2013 with an increase to its Unassigned Fund Balance of \$1,506,019 to \$8.79 million. The General Fund

unassigned fund balance at June 30, 2013 was 9.68% of the FY14 budget (8% is the minimum requirement of the City Financial Policies). The

Water Fund saw a decrease in unrestricted net assets of \$1.46 million, from \$2,733,914 to \$1,274,824. The Water Fund decrease is primarily due to investment in capital assets during FY2013. The Sewer Fund saw a decrease in unrestricted net assets of \$2.47 million, from \$4,298,694 to \$1,826,942. A significant portion of the decrease in unrestricted net assets of the Sewer Fund is the result of investments in capital assets during FY2013.

Unreserved Net Assets		
Fund	FY13	FY12
General	8,791,826	7,285,807
Water	1,274,824	2,733,914
Sewer	1,826,942	4,298,694
Total	11,893,592	14,318,415

In FY2009 the Arena Fund was dissolved into the City's General Fund. The City continues to be diligent to balance the fiscal operations of the Arena, including scheduled fee increases and expenditure control. The Arena operating results, inclusive of related debt obligations, were revenues in excess of expenditures of \$35,686 in FY2013, \$64,809 in FY2012 and \$32,503 in FY2011.

The liquidity of the General, Water and Sewer Funds is good and continues to show a favorable trend. This is based on the quick ratio which is a measure of current assets (excluding inventories) divided by current liabilities. The General Fund had a quick ratio of 1.89 with Water and Sewer Funds of 4.20 and 2.00, respectively. A ratio of 1 is considered satisfactory.

The amount of debt incurred by the City remains below the State statutory limits as set forth in RSA 33:4-a for the City and School District, and RSA 33:5-a for the Water Fund. There is no statutory debt limit for the Sewer Fund. The State statutory limit for the City is 3% of Base valuation as determined by the New Hampshire Department of Revenue Administration (NH DRA), the statutory limit for the School District is 7% of Base valuation as determined by NH DRA, and the statutory limit for the Water Fund is 10% of base valuation as determined by NH DRA. As of June 30, 2013 the City had utilized 62.2% of its statutory debt limit, the School District utilized 12.3% of its statutory debt limit, and the Water Fund had utilized 5.1% of its statutory debt limit.

The City Council established self-imposed policy limits that are significantly lower than those set by State statute. As of June 30, 2013 the percent of the City's more conservative debt policy used was 95.8%, the School was 41.5%. General Fund net debt per capita is at \$1,816, an amount considered reasonable for a municipality the size of Dover. The General Fund's net debt to equalized value is 2.46%. The General Fund's net debt service as a percent of budget is 9.4%. This measure, although within the 10% recommended by policy, it is close to the policy limit partially as a result of a higher rate of debt pay down resulting in a favorable reduction in the cost for debt.

The Water fund is at 100% of the City Council self-imposed policy limit. The Sewer fund remained within the City Council self-imposed policy limits with 36.7% being utilized. Net debt service to budget in the Water Fund is 32.7% and 20.7% within the Sewer Fund, within the 40% set by policy.

In May 2012 Moody's downgraded the City's May 2010 Aa2 rating to an Aa3 rating. In May 2012 Standard & Poor's reaffirmed their May 2010 AA rating of the City.

Policy Monitoring, Long Term Financial Planning, and Responding to the Impact of the U.S. Economic Decline

On April 27, 2011 the City Council adopted a resolution to implement 32 financial policies. These adopted policies include maintaining all of the existing policy statements adopted in 1996 with updates to several of the benchmark indices. In addition, several new policy statements were also included reflecting the most current best practices identified by the Government Finance Officers Association and the National Advisory Council on State and Local Budgeting. These financial policies address areas such as Stabilization Funds, Fees and Charges, Debt Issuance and Management, Use of One-Time and Unpredictable Revenues, Balanced Budgeting Practices, Revenue Diversification, and Contingency Planning. A copy of the financial policies adopted by the City Council is available on the City's website.

The City Council routinely adopts fiscal initiatives to respond to the changes in the economy that have resulted in impacts such as declines to non-property tax revenues and the community's tolerance for tax increases. The City Council has limited adoption of bonding authorizations to be consistent with the annual amount of debt being retired by the City's tax supported General Fund. The objective of this initiative is to move the City away from recurring debt financing and funding capital reserves at an appropriate level to move from debt financing certain capital outlay. These actions are consistent with the City's Debt Issuance and Management financial policies.

The City Manager and City Department Directors conduct an on-going evaluation of fiscal operations to insure that expenditures are managed in concert with revenues to insure General Fund Balance is maintained consistent with City policy limit. In FY2012 the City reached the prescribed 8% policy for unassigned General Fund Balance by ending the year with an 8.2% level. In FY2013 the City complied with the General Fund Balance policy by achieving an Unassigned Fund Balance of 9.68%.

In FY2013 the City was successful in contributing 10% of the actuarially calculated OPEB Annual Required Contribution to an established dedicated fund. This action is consistent with the City's financial policy objective for managing and prefunding the City's OPEB obligations.

In FY2013 the City, consistent with financial policies, maintained sufficient annual contributions into the General Fund Capital Reserve, Water Fund Capital Reserve and Sewer Fund Capital Reserve.

The City recognizes the importance of a formal process for long term financial planning and forecasting. The City has procured a formal forecasting software application to aid in financial planning. The City has populated the software with the necessary data and has utilized this tool to provide insight to evaluating policy recommendations. The software is utilized to provide formal fiscal forecasting reports complete with national, regional, and local economic overviews and a 5-year projection of both General Fund operations and tax levy impacts as part of the budget process.

Acknowledgements

This report continues to refine the financial reporting of the City. It is the tenth year the City has produced a comprehensive annual financial report (CAFR). This report includes the implementation of Governmental Accounting Standards Board's Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. An actuarially determined liability of the City cost of medical benefits provided to retirees, and employees that will be eligible to receive such benefits upon retirement of the City, is incorporated into the financial statements and the footnotes.

This report also includes the implementation of Governmental Accounting Standards Board's Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. The objective of Statement 54 is to improve the usefulness and understandability of governmental fund balance information by providing fund balance in more clearly defined categories.

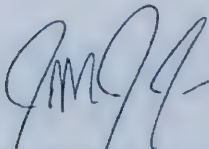
The Government Finance Officers Association of the United States and Canada (GFOA) awarded nine consecutive Certificates of Achievement for Excellence in Financial Reporting to the City of Dover, NH for its Comprehensive Annual Financial Report beginning for the fiscal year ended June 30, 2004 through June 30, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

This recognizes the City's Finance Department's efforts for full disclosure of the financial information of the City. A CAFR is a much more detailed reporting of the City's finances, as well as providing historical information in the statistical section of this report.

The Certificate of Achievement is valid for a period of one year only. The City believes that the current CAFR continues to meet the Certificate of Achievement Programs' requirement and it will be submitted to the Government Finance Officer's Association to determine its eligibility for another certificate.

The publication of the CAFR requires many staff hours to accomplish and would not have been possible without the dedication of the entire staff of the Finance Department. Credit must also be given to the Mayor and City Council for their continued support of the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'JMJ', with a stylized flourish at the end.

J. Michael Joyal, Jr.
City Manager

A handwritten signature in black ink, reading 'Daniel R. Lynch' in a cursive script.

Daniel R. Lynch
Finance Director

City of Dover Organizational Chart





City of Dover

New Hampshire

FISCAL YEAR 2013

City Council Members

Mayor: Dean Trefethen

Ward 1: Edward Spuler

Ward 2: William Garrison

Ward 3: Michael Crago

Ward 4: Dorothea Hooper

Ward 5: Catherine Cheney

Ward 6: Michael Weeden

At Large: Robert Carrier

At Large: Karen Weston

City Manager

J. Michael Joyal, Jr.

Departments

Finance

Planning

Police

Fire and Rescue

Community Services

Public Library

Recreation

Public Welfare

Daniel R. Lynch

Christopher G. Parker

Anthony F. Colarusso, Jr.

Richard Driscoll

Douglas W. Steele, II

Cathy Beaudoin

Gary Bannon

Lena C. Nichols

School Board

At Large: Rocky D'Andrea

At Large: Sarah Greenshields

At Large: Amanda Russell

At Large: Betsey Andrews Parker

At Large: Kathy Baker

At Large: Paul Butler

At Large: Doris Grady

Student Rep: Preston Massingham

Superintendent of Schools

Antonio Fernandes



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Dover
New Hampshire**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

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FINANCIAL SECTION



Accessible
Approachable
Accountable

Independent Auditors' Report

To the Mayor and City Council
City of Dover, New Hampshire

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, New Hampshire, (the City), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, New Hampshire, as of and for the year ended June 30, 2013 and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Members of the McGladrey Alliance are not affiliated with each other and are not responsible for the actions of any other member. Each member is responsible for their own client file management, delivery of services and maintenance of client relationships.



To the Mayor and City Council
City of Dover, New Hampshire

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 19-32, and Schedule of funding Progress on page 78, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Dover, New Hampshire's financial statements. The introductory section on pages 1 - 11, supplementary statements and schedules on pages 85 - 134, and statistical tables on pages 137 - 162, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary statements and schedules are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 2014, on our consideration of City of Dover's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Dover's internal control over financial reporting and compliance.

Macpage LLC

South Portland, Maine
January 7, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Dover, we offer readers this narrative overview and analysis of the financial activities of the City of Dover for the fiscal year ended June 30, 2013. We encourage readers to consider the information here in conjunction with additional information that we have furnished in our letter of transmittal.

A. FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total of assets exceeded liabilities by \$143,399,948 (i.e., net position), an increase of \$7,159,002 in comparison to the prior year.
- As of the close of the current fiscal year, total of assets of governmental activities exceeded liabilities by \$83,745,009 (i.e., net position), an increase of \$5,301,084 in comparison to the prior year.
- At the end of the current year, total assets of business-type activities exceeded their liabilities by \$59,654,939, an increase of \$1,857,918 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$22,266,091, a decrease of \$763,152 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$8,791,826, an increase of \$1,506,020 in comparison with the prior year.
- Total long-term debt (i.e., bonds payable) at the close of the current fiscal year was \$85,297,630, a decrease of \$5,246,658 in comparison to the prior year.

B. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Dover's basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The statement of net position presents information on all assets and liabilities, with the difference between the two reported as net position. Over time,

increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation. The business-type activities include water and sewer utilities, and Dover Business and Industrial Development Authority (DBIDA) activities.

Fund financial statements A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Annual appropriated budgets are adopted for the general fund and certain nonmajor governmental funds. Budgetary comparison statements have been provided for both funds to demonstrate compliance with these budgets.

Proprietary funds Proprietary funds are maintained as follows:

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Specifically, enterprise funds are used to account for water and sewer utilities, and DBIDA operations. The operations of the arena were previously accounted for as an enterprise fund. In FY 2009 the City dissolved the Arena Fund into the General Fund.

Internal service funds are an accounting device used to accumulate and allocate costs internally among various functions. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Internal service funds are used to account for central data processing, fleet management services, and workers compensation administration and claims, provided to other departments on the cost reimbursement basis. In FY2011 the City established an OPEB internal service fund to centrally account for pay-as-you go retirees' insurance costs paid by other departments in the city. In FY2013 and FY2012, the City pre-funded 10% and 5%, respectively, of the actuarial determined OPEB Annual Required Contribution by making an annual transfer of funds into the OPEB internal service fund.

Proprietary funds provide the same type of information as the business-type activities reported in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer utilities, and DBIDA operations, all of which are considered to be major funds. The operations of the arena were previously reported as a propriety fund. In FY 2009 the City dissolved the Arena Fund into the General Fund. In FY2013 the arena operations resulted in revenues exceeding expenditures, to include related debt obligations, by \$35,686. Fiscal Year 2013 represents the third year since the Arena Fund was dissolved into the General Fund, and is the third consecutive year of positive operating results for the arena.

Fiduciary funds Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary infor-

mation, which is required to be disclosed by the *Governmental Accounting Standards Board*.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net position were \$143,399,948, an increase of \$7,159,002 from the prior year.

Financial Position The following is a summary of condensed government-wide financial data of net position for the current and the prior fiscal years.

<u>NET POSITION</u>						
Amounts presented in 000s						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2012	2013	2012	2013	2012	2013
Current and Other Assets	\$ 36,309	\$ 37,313	\$ 16,469	\$ 15,447	\$ 52,778	\$ 52,760
Capital Assets	150,805	152,951	69,927	71,140	220,732	224,091
Total Assets	\$ 187,114	\$ 190,264	\$ 86,396	\$ 86,587	\$ 273,510	\$ 276,851
Long-term Liabilities	\$ 100,971	\$ 96,832	\$ 22,149	\$ 23,973	\$ 123,120	\$ 120,805
Other Liabilities	7,710	9,687	6,450	2,959	14,160	12,646
Total Liabilities	\$ 108,681	\$ 106,519	\$ 28,599	\$ 26,932	\$ 137,280	\$ 133,451
Net Position:						
Net Investment in Capital Assets	\$ 87,621	\$ 94,609	\$ 55,048	\$ 50,400	\$ 142,669	\$ 145,009
Restricted	3,832	4,176	-	5,003	3,832	9,179
Unrestricted (Deficit)	(13,009)	(15,040)	2,749	4,252	(10,260)	(10,788)
Total Net Position	\$ 78,444	\$ 83,745	\$ 57,797	\$ 59,655	\$ 136,241	\$ 143,400

By far, the largest portion of net position, \$145,008,751 or 101.1 percent, reflects the City's investment in capital assets (e.g., land, buildings, machinery and equipment), less depreciation and any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position \$9,179,151 represents resources that are subject to external restrictions on how they may be used. The remaining net balance (deficit) represents unrestricted net position at the end of the fiscal year of \$(10,787,956).

The unrestricted net position balance consists of a deficit of \$15,040,301 for governmental activities and a balance of \$4,252,345 for business-type activities. The governmental activities net position include the reflection of major liabilities of

the Tolend Road Landfill mitigation of \$10,427,000, compensated absences of \$3,394,447 and other post-employment benefits (OPEB) obligations of \$19,548,047.

The \$10,427,000 for Tolend Road Landfill mitigation represents the mitigation costs and the post mitigation maintenance and monitoring costs. This estimated liability is unchanged from the prior year, since there has been no change in the estimate of post mitigation maintenance and monitoring costs. This is based upon estimates derived from actual costs incurred during FY2013. The City anticipates the remaining liability for mitigation costs of \$107,000 to be financed with long-term debt which is included in the City's Capital Improvements Program. The maintenance and monitoring costs of \$10,320,000 (30-year estimated cost) are expected to be financed within the annual operating budget, as needed.

The \$3,394,447 for compensated absences represents the accrued employee leave benefits, payable as taken or at termination. This is an increase of \$213,184 from the prior year. The City has funded \$277,480 of the liability.

The \$19,548,047 OPEB liability represents the implementation of Governmental Accounting Standards Board (GASB) Statement No. 45. The purpose of the statement is to reflect the liability of health care or other post employment benefits provided to separated or retired employees. The portion of the liability reflected in the Financial Statements is the initial eight years of a 30 year amortization of the total liability. City employees hired before specific dates may receive all or part of their health care benefits paid for by the City. City employees hired after the cut-off date are eligible on a self pay basis only but impact the premiums of the health plans of all City employees. School employees are self pay basis only but impact the premiums of the health plans of all School employees. The table below shows the number of eligible individuals involved in the calculation for both the City and School and the average total liability.

Group	Eligible Employees and Retirees	Average Total Liability per Person
City	332	\$ 156,328.00
School	366	\$ 3,329.00
Combined	698	\$ 159,657.00

In FY2013 and FY2012, the City pre-funded 10% and 5%, respectively, of the actuarial determined OPEB Annual Required Contribution by making an annual transfer of funds into the OPEB internal service fund.

Please refer to the Financial Statement footnote 17 and Required Supplemental Information for more on the OPEB liability.

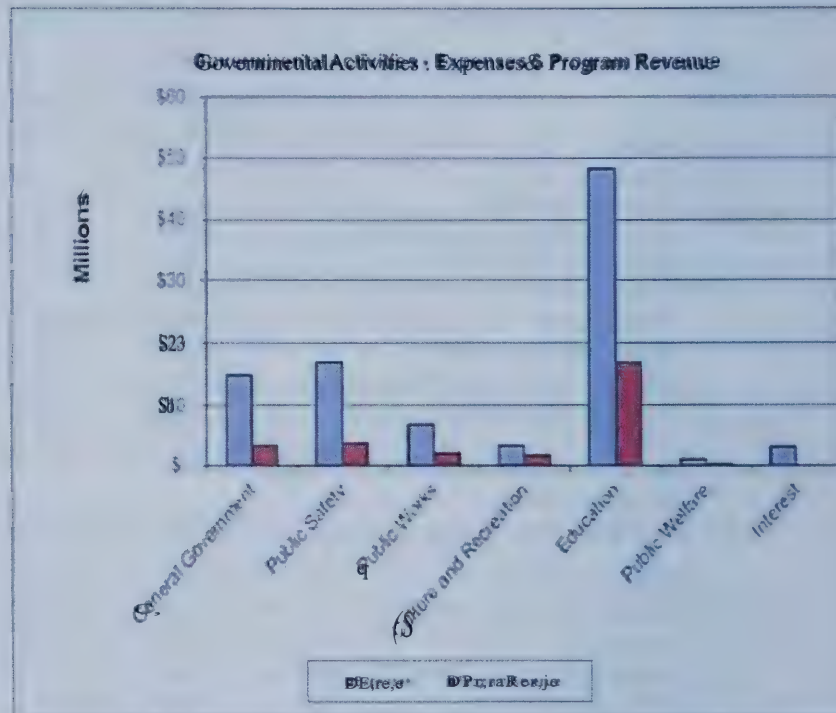
Financial Results The following is a summary of condensed government-wide financial data of changes in net position for the current fiscal and prior fiscal years.

<u>CHANGE IN NET POSITION</u>						
Amounts presented in 000s						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2012	2013	2012	2013	2012	2013
Revenues:						
Program revenues:						
Charges for services	\$ 13,560	\$ 13,388	\$ 8,929	\$ 10,035	\$ 22,489	\$ 23,423
Operating grants and contributions	14,060	14,159	-	-	14,060	14,159
Capital grants and contributions	660	643	28	1,387	688	2,030
General revenues:						
Property taxes	65,534	65,838	-	-	65,534	65,838
Motor vehicle registration	3,722	3,933	-	-	3,722	3,933
Penalties and interest on taxes	417	445	-	-	417	445
Investment income (loss)	(178)	116	3	2	(175)	118
Other	285	929	-	-	285	929
Gain (Loss) on sale of capital asset	-	-	38	-	38	-
Extraordinary item	-	-	-	-	-	-
Total Revenues	98,060	99,451	8,998	11,424	107,058	110,875
Expenses:						
General government	13,361	14,709	-	-	13,361	14,709
Public safety	16,302	17,031	-	-	16,302	17,031
Public works	16,831	6,720	-	-	16,831	6,720
Culture and recreation	3,325	3,297	-	-	3,325	3,297
Education	47,520	48,193	-	-	47,520	48,193
Public Welfare	881	949	-	-	881	949
Intergovernmental	-	-	-	-	-	-
Interest on long-term debt	3,146	3,216	708	818	3,854	4,034
Miscellaneous	-	-	-	-	-	-
Water operations (1)	-	-	3,250	3,170	3,250	3,170
Sewer operations (1)	-	-	5,061	5,478	5,061	5,478
DBIDA operations	-	-	141	135	141	135
Total Expenses	101,366	94,115	9,160	9,601	110,526	103,716
Change in Net Position before Transfers	(3,306)	5,336	(162)	1,823	(3,468)	7,159
Transfers in (out)	(41)	(35)	41	35	-	-
Change in Net Position	(3,347)	5,301	(121)	1,858	(3,468)	7,159
Net Position - beginning of year	81,791	78,444	57,918	57,797	139,709	136,241
Net Position - end of year	\$ 78,444	\$ 83,745	\$ 57,797	\$ 59,655	\$ 136,241	\$ 143,400

(1) Excludes interest on long-term debt reflected separately.

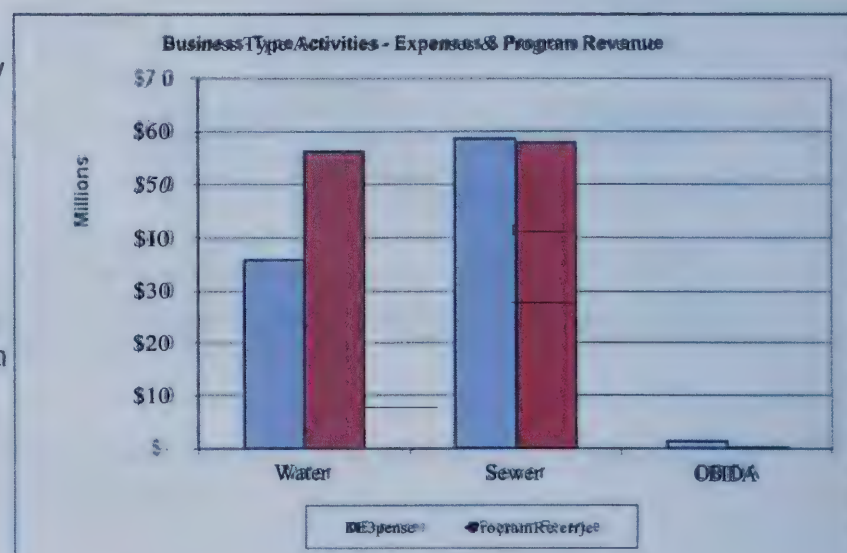
Governmental activities Governmental activities for the year resulted in an increase in net position of \$5,301,084. Governmental activities realized the following significant transactions:

- General Fund excess of revenues over expenditures of \$3.7 million.
- Acquisition of capital assets of \$8.7 million.
- An increase in the OPEB Liability of \$2.4 million.
- An increase in the compensated absence liability of \$213,184.
- Debt service principal payments in excess of depreciation expense of \$300,000.



Business-Type Activities Business-type activities for the year resulted in an increase in net position of \$1,857,918 or 2.4%. Key elements of this change are as follows:

- The Water Fund increased net assets by \$1,954,148 or 2.3%. This consists mainly of operating activities resulting in income of \$1.5 million.
- The Sewer Fund had a decrease in net position of \$92,530 or 0.3%. This consists mainly of an operating loss of \$124,088.



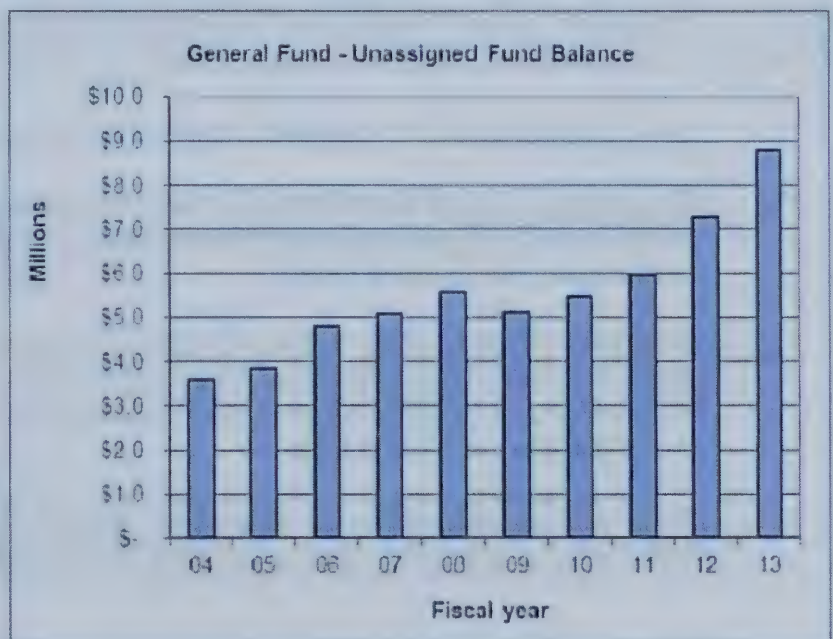
D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$22,266,091, an increase of \$763,152 in comparison with the prior year. The General Fund change consists of an increase in the unassigned fund balance of \$1,506,020 and a decrease in nonspendable, committed and assigned balances of \$431,125.

The general fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$8,791,826, while total fund balance was \$11,408,128. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 9.68 percent of total general fund expenditures, while total fund balance represents 12.56 percent of that same amount.



The unassigned fund balance of the general fund increased by \$1,506,020, or 20.7%, during the current fiscal year. Key factors in this change are as follows:

- A net increase to fund balance of \$2,739,606 from excess of revenues and other sources over expenditures and other uses, consisting of \$120,594 of revenues over budget estimates (exclusive of Other Financing Sources) and \$2,647,449 of expenditures under budget estimates (exclusive of Other Financing Uses). Revenue items in excess of budget estimates consist

mainly of \$407,786 in taxes and tax interest, \$173,202 for building permits, and \$233,255 for motor vehicle permits. Revenue shortfalls consist mainly of \$149,279 in sales and service charges, \$169,778 in ambulance fees. Unencumbered appropriations consisted mainly of \$543,734 for Public Safety, \$1,099,243 for Public Works, \$178,414 for Culture and Recreation, and \$64,332 for Debt Service Interest. The School Department unencumbered appropriations of \$736,577 offset a shortfall of \$416,933 in education revenue, due mainly to a reduction in Tuition revenue.

- An increase to fund balance of \$33,682 for a decrease in deferred property tax revenue.
- An increase to fund balance of \$113,308 for the decrease in the reserve for advances to the McConnell Center Fund.
- A decrease to fund balance of \$288,069 for an increase of carryover appropriations reserved for future years capital outlay. In accordance with City Charter, capital outlay appropriations shall continue in force for three years or until the purpose for which the appropriation was made has been completed, whichever time period is shorter.

Proprietary funds Proprietary funds provide the same type of information found in the business-type activities reported in the government-wide financial statements, but in more detail.

Unrestricted net position of the enterprise funds at the end of the year amounted to \$4,252,345. This amount consists of the Water Fund of \$1,274,824, the Sewer Fund of \$1,826,942, and the Dover Business and Industrial Development Fund (DBIDA) of \$1,150,579.

Other factors concerning the finances of proprietary funds have already been addressed in the entity-wide discussion of business-type activities.

E. GENERAL FUND BUDGETARY HIGHLIGHTS

The differences between the original budget and the final amended budget resulted in an overall increase in appropriations of \$65,354. This consists of City Council adopted appropriations of \$8,908 for a grant awarded to the City, \$17,500 for abatements, and \$38,946 increase for intergovernmental payment to the county.

Unspent General Fund appropriations were due to several factors including a self-imposed reduction in expenditures and a year-end level of under-expenditures (including transfers) of approximately 2.9%.

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets Capital assets for governmental and business-type activities at year-end amounted to \$224,091,237 (net of accumulated depreciation), an increase of approximately \$3,359,286 from the prior year. This investment in capital assets includes land, buildings and system, improvements, and machinery and equipment. The following yearly comparison shows net capital assets by category:

Capital Assets (000s) (net of depreciation)

	Governmental Activities		Business-Type Activities		Totals	
	2012	2013	2012	2013	2012	2013
Land	\$ 14,444	\$ 14,598	\$ 1,785	\$ 1,785	\$ 16,229	\$ 16,383
Buildings and improvements	75,454	74,476	17,980	17,117	93,434	91,593
Machinery and equipment	9,065	8,374	7,909	7,045	16,974	15,419
Infrastructure	32,803	32,390	42,090	41,258	74,893	73,648
Construction in Progress	19,039	23,114	162	3,935	19,201	27,049
Total Assets	\$ 150,805	\$ 152,952	\$ 69,926	\$ 71,140	\$ 220,731	\$ 224,092

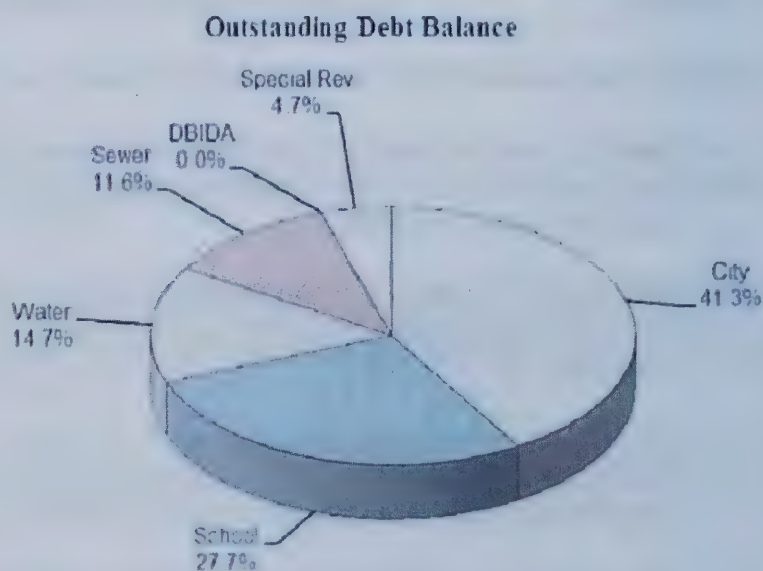
Major capital asset events during the current fiscal year included the following:

- The increase to Land of the governmental activities relates to the recording of the change in asset type classification of the remaining book value of a building after demolition.
- The increase to Building and Improvements for governmental activities relates to Building repairs and improvements to the McConnell Center, Library and City Hall.
- Decreases in the value of Machinery and Equipment is the result of technology and network infrastructure retirements of obsolete technology at the schools and police and fire departments dispatch center radio equipment.
- The governmental activities infrastructure change includes additions for the acceptance of donated roadways, Labrador Wood, Longmeadow and Boxwood Lane. Other additions include bridge, street, drainage and paving projects at Whittier Street Bridge, Berry Brook, Pine Hill Cemetery paving, Recreation Trails and installation of energy efficient street signalization projects.
- The governmental activities construction in progress relates mainly to Public Works projects for the Tolend Road Landfill hazardous landfill mitigation project, the Cocheco River Dredge Cell project and street reconstruction projects on Tolend, Watson and Applevale roadways.

- Increases to the Business-type activities Machinery and Equipment category include infrastructure for the North End Water Pressure Zone Project. The Waste Water Treatment Plant and River Street Pump Station had improvement related to Sludge Dewatering, Pump Replacement and Aeration Blowers.
- The additions to the Business-type activities Construction in Progress Improvements are for Water Mains located on Broadway, Atlantic, Silver and Applevale roadways. Sewer Main replacement on Applevale Avenue and design services related to the Waste Water Treatment Plant Department of Environmental Services nitrate reduction project.

Additional information on capital assets can be found in Note 9 of the Financial Statements.

Long-term debt At the end of fiscal year 2013, total long-term debt outstanding was \$85,297,630, a net decrease of \$5,246,658 over the previous fiscal year end. All the long term debt was backed by the full faith and credit of the City.



Long-term Debt (000s)

	Governmental Activities		Business-Type Activities		Totals	
	2012	2013	2012	2013	2012	2013
General Obligation Bonds	\$ 69,403	\$ 62,639	\$ 20,744	\$ 18,718	\$ 90,147	\$ 81,357
Other Long Term Debt	397	289	-	3,651	397	3,940
Total Long-term Debt	\$ 69,800	\$ 62,928	\$ 20,744	\$ 22,369	\$ 90,544	\$ 85,297

In January 2013 the City finalized a loan agreement with the State of New Hampshire through the Clean Water State Revolving Loan Fund for the Waste Water Treatment Plant Aeration Blowers project. The total project cost was \$558,314, of which fifty percent was funded by an American Recovery and Reinvestment Act of 2009 grant. This resulted in the final loan agreement with the State being in the amount of \$279,157 with an interest cost of 1.70%. The loan matures in February 2022.

In March 2013 the City finalized a loan agreement with the State of New Hampshire through the Drinking Water State Revolving Loan Fund for the North End Water Pressure Zone project. The project cost was \$4,000,000 of which \$600,000 or 15% of the project cost is funded by a grant from the U.S. Environmental Protection Agency Capitalization Grants for Drinking Water State Revolving Funds. The grant is allocated over the 20 year term of the loan in equal annual installments of principal forgiveness of \$31,578.95. The resulting loan agreement is for a net debt obligation of \$3,400,000 with an interest rate of 2.72%. The loan matures in November 2032.

The City did not issue any general obligation bonds or revenue bonds during 2013.

Additional information on long term debt can be found in Note 13 of the Financial Statements.

G. NEXT YEAR'S BUDGETS AND RATES

The budget, tax levies and tax rates of the General Fund for the subsequent fiscal year have been formalized. The following table reflects the budget amounts, at the time of tax rate setting, for each year for the General Fund.

General Fund Budget	FY13	FY14	Increase (Decrease)	% Change
City	35,001,079	37,082,969	2,081,890	5.9%
School	46,252,919	46,178,043	(74,876)	-0.2%
County	7,521,254	7,771,799	250,545	3.3%
Total Budget	88,775,252	91,032,811	2,257,559	2.5%

The following table reflects the property tax levy amounts for each year.

Property Tax Levies	FY13	FY14	Increase (Decrease)	% Change
City	24,674,390	25,798,503	1,124,113	4.6%
School - Local	27,124,864	27,934,161	809,297	3.0%
School - State	6,568,079	6,533,850	(34,229)	-0.5%
Total School	33,692,943	34,468,011	775,068	2.3%
County	7,521,254	7,771,799	250,545	3.3%
Total Tax Levy	65,888,587	68,038,313	2,149,726	3.3%

The following table reflects the property tax rates for each year. The tax rate is stated per \$1,000 of assessed value.

Property Tax Rates	FY13	FY14	Increase (Decrease)	% Change
City	9.71	9.99	0.28	2.9%
School - Local	10.38	10.54	0.16	1.5%
School - State	2.55	2.51	(0.04)	-1.6%
Total School	12.93	13.05	0.12	0.9%
County	2.88	2.93	0.05	1.7%
Total Tax Rate	25.52	25.97	0.45	1.8%

The budget and user fees of the utility funds for the subsequent fiscal year have been formalized. The following table reflects the original adopted budget amounts for each year for the Water and Sewer Funds.

Utility Funds	FY13	FY14	Increase (Decrease)	% Change
Water Fund	4,709,762	4,853,514	143,752	3.1%
Sewer Fund	6,404,327	6,747,525	343,198	5.4%
Total Utility Funds	11,114,089	11,601,039	486,950	4.4%

The following table reflects the utility rates per one hundred cubic feet (HCF) of water consumption for each year. (1 HCF = 748 gallons)

Utility Rates	FY13	FY14	Increase (Decrease)	% Change
Water Fund	4.36	4.69	0.33	7.6%
Sewer Fund	5.78	6.53	0.75	13.0%
Combined Rates	10.14	11.22	1.08	10.7%

Discussions of other financial and economic factors are included in the Transmittal Letter.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Dover's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Finance Director, City of Dover
Municipal Building
288 Central Avenue
Dover, New Hampshire 03820

The City of Dover's web site contains additional financial information at:

www.dover.nh.gov

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Statement of Net Position

June 30, 2013

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current:			
Cash and short-term investments	\$ 27,821,007	\$ 8,310,771	\$ 36,131,778
Investments	3,282,796		3,282,796
Receivables, net of allowance for uncollectibles:			
Property taxes	4,463,736		4,463,736
User fees		3,300,392	3,300,392
Departmental and other	1,556,298		1,556,298
Intergovernmental	1,016,517	21,595	1,038,112
Internal balances	(1,974,463)	1,974,463	
Inventory	99,171	443,833	543,004
Other assets	191,418		191,418
Total current assets	<u>36,456,480</u>	<u>14,051,054</u>	<u>50,507,534</u>
Noncurrent:			
Intergovernmental receivables, net		139,367	139,367
Loans receivable, net	856,214		856,214
Investment in land		1,256,731	1,256,731
Capital assets:			
Land and construction in progress	37,711,946	5,720,090	43,432,036
Capital assets, net of accumulated depreciation	<u>115,239,536</u>	<u>65,419,665</u>	<u>180,659,201</u>
Total non-current assets	<u>153,807,696</u>	<u>72,535,853</u>	<u>226,343,549</u>
Total Assets	\$ 190,264,176	\$ 86,586,907	\$ 276,851,083
LIABILITIES AND NET ASSETS			
Liabilities			
Current:			
Accounts payable	1,794,566	295,049	2,089,615
Accrued liabilities	4,817,811	134,818	4,952,629
Retainage payable	176,095	186,276	362,371
Due to fiduciary funds	1,587,580		1,587,580
Unearned revenue	32,421	2,343,164	2,375,585
Other current liabilities	1,278,640		1,278,640
Current portion of long-term liabilities:			
Claims liability	348,000		348,000
Bonds and loans payable	6,682,110	2,181,724	8,863,834
Compensated absences	150,367	17,000	167,367
Total current liabilities	<u>16,867,590</u>	<u>5,158,031</u>	<u>22,025,621</u>
Noncurrent:			
Claims liability, net of current portion	186,071		186,071
Bonds and loans payable, net of current portion	56,246,379	20,187,417	76,433,796
Compensated absences, net of current portion	3,244,080	120,815	3,364,895
Other post-employment benefits liability	19,548,047	1,465,705	21,013,752
Liability for hazardous waste-site cleanup	10,427,000		10,427,000
Total non-current liabilities	<u>89,651,577</u>	<u>21,773,937</u>	<u>111,425,514</u>
Total Liabilities	106,519,167	26,931,968	133,451,135
Net Position			
Net Investment in capital assets	94,608,955	50,399,796	145,008,751
Restricted for:			
Nonexpendable trust principal	1,867,381		1,867,381
Expendable trust principal	277,621		277,621
City and school department grants and projects	2,031,353		2,031,353
Restricted for capital outlay		5,002,798	5,002,798
Unrestricted (Deficit)	(15,040,301)	4,252,345	(10,787,956)
Total Net Position	\$ 83,745,009	\$ 59,654,939	\$ 143,399,948

Statement of Activities

For the Year Ended June 30, 2013

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General government	\$ 14,709,181	\$ 2,216,125	\$ 1,130,491	
Public safety	17,030,785	2,541,417	1,191,401	
Public works	6,720,090	1,128,692	424,441	\$ 643,193
Culture and recreation	3,296,827	1,639,139	61,466	
Education	48,192,876	5,570,396	11,326,640	
Public welfare	948,950	292,294	24,305	
Interest	3,216,334			
Total Governmental Activities	94,115,043	13,388,063	14,158,744	643,193
Business-Type Activities:				
Water services	3,598,668	4,680,037		946,642
Sewer services	5,866,950	5,353,449		440,267
DBIDA services	134,900	1,200		
Total Business-Type Activities	9,600,518	10,034,686		1,386,909
Total	\$ 103,715,561	\$ 23,422,749	\$ 14,158,744	\$ 2,030,102

General Revenues:

Property tax
 Motor vehicle registration tax
 Penalties and interest
 Unrestricted investment earnings
 Other revenue
 Transfers in (out)

Total general revenues

Change in Net Position

Net Position:

Beginning of year

End of year

Net (Expenses) Revenues and Changes in Net Position		
Governmental Activities	Business- Type Activities	Total
\$ (11,362,565)		\$ (11,362,565)
(13,297,967)		(13,297,967)
(4,523,764)		(4,523,764)
(1,596,222)		(1,596,222)
(31,295,840)		(31,295,840)
(632,351)		(632,351)
(3,216,334)		(3,216,334)
<u>(65,925,043)</u>		<u>(65,925,043)</u>
	\$ 2,028,011	2,028,011
	(73,234)	(73,234)
	<u>(133,700)</u>	<u>(133,700)</u>
	1,821,077	1,821,077
<u>(65,925,043)</u>	<u>1,821,077</u>	<u>(64,103,966)</u>
65,837,919		65,837,919
3,933,255		3,933,255
445,156		445,156
115,400	2,223	117,623
929,015		929,015
<u>(34,618)</u>	<u>34,618</u>	<u></u>
<u>71,226,127</u>	<u>36,841</u>	<u>71,262,968</u>
5,301,084	1,857,918	7,159,002
<u>78,443,925</u>	<u>57,797,021</u>	<u>136,240,946</u>
\$ <u><u>83,745,009</u></u>	\$ <u><u>59,654,939</u></u>	\$ <u><u>143,399,948</u></u>

Governmental Funds

Balance Sheet

June 30, 2013

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and short-term investments	\$ 24,200,507	\$ 3,620,500	\$ 27,821,007
Investments		3,282,796	3,282,796
Receivables, net of allowance for uncollectibles:			
Taxes	4,463,736		4,463,736
Departmental and other	385,514	1,105,802	1,491,316
Intergovernmental	333,675	684,270	1,017,945
Loans		856,214	856,214
Due from other funds		9,666,213	9,666,213
Advances to other funds	433,176		433,176
Inventory	4,094	37,278	41,372
Other assets	30,078		30,078
Total Assets	<u>\$ 29,850,780</u>	<u>\$ 19,253,073</u>	<u>\$ 49,103,853</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 651,021	\$ 1,057,713	\$ 1,708,734
Accrued liabilities	4,250,731	295,000	4,545,731
Retainage payable	3,175	172,920	176,095
Unearned revenues		32,421	32,421
Due to other funds	9,219,781	5,407,589	14,627,370
Advances from other fund		433,176	433,176
Compensated absences	114,158		114,158
Other liabilities	1,278,640		1,278,640
Total Liabilities	<u>15,517,506</u>	<u>7,398,819</u>	<u>22,916,325</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	2,925,146		2,925,146
Unavailable revenue - long-term receivables		996,291	996,291
Total deferred inflows of resources	<u>2,925,146</u>	<u>996,291</u>	<u>3,921,437</u>
Fund Balances:			
Nonspendable	4,094	1,904,659	1,908,753
Restricted		6,470,386	6,470,386
Committed	666,026	5,754,554	6,420,580
Assigned	1,946,182		1,946,182
Unassigned	8,791,826	(3,271,636)	5,520,190
Total Fund Balances	<u>11,408,128</u>	<u>10,857,963</u>	<u>22,266,091</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 29,850,780</u>	<u>\$ 19,253,073</u>	<u>\$ 49,103,853</u>

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities in the Statement of Net Assets

June 30, 2013

Total governmental fund balances	\$ 22,266,091
• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	152,951,482
• Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the governmental funds.	3,921,437
• Internal service funds are used by management to account for Dover Net, Central Stores, fleet maintenance and workers' compensation activities. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	1,013,800
• In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.	(260,185)
• Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Bonds payable	(62,928,489)
Compensated absences	(3,244,080)
Liability for hazardous waste-site cleanup	(10,427,000)
Other Post-Employment Benefits (OPEB) liability	<u>(19,548,047)</u>
Net position of governmental activities	\$ <u>83,745,009</u>

Governmental Funds**Statement of Revenues, Expenditures and Changes
in Fund Balances**

For the Year Ended June 30, 2013

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
Taxes	\$ 66,723,579	\$ 267,590	\$ 66,991,169
Licenses and permits	4,712,167	465,048	5,177,215
Intergovernmental	2,523,877	5,631,312	8,155,189
Current services	2,816,587	4,239,561	7,056,148
Education	11,394,990		11,394,990
Miscellaneous	239,271	753,468	992,739
Total Revenues	<u>88,410,471</u>	<u>11,356,979</u>	<u>99,767,450</u>
Expenditures:			
Current:			
General government	4,296,218	218,320	4,514,538
Public safety	13,181,881	2,051,518	15,233,399
Public works	5,221,520	4,929,543	10,151,063
Culture and recreation	2,917,619	828,781	3,746,400
Education	41,077,160	5,666,377	46,743,537
Public welfare	864,401	568,188	1,432,589
Intergovernmental - County tax	7,521,254		7,521,254
Debt service	9,625,698	484,704	10,110,402
Total Expenditures	<u>84,705,751</u>	<u>14,747,431</u>	<u>99,453,182</u>
Revenues over (under) expenditures	<u>3,704,720</u>	<u>(3,390,452)</u>	<u>314,268</u>
Other Financing Sources (Uses):			
Refunding bond premium received		697,521	697,521
Transfers in	1,036,554	854,884	1,891,438
Transfers out	(3,666,379)		(3,666,379)
Total Other Financing Sources (Uses)	<u>(2,629,825)</u>	<u>1,552,405</u>	<u>(1,077,420)</u>
Net change in fund balances	1,074,895	(1,838,047)	(763,152)
Fund Balances, at Beginning of Year	<u>10,333,233</u>	<u>12,696,010</u>	<u>23,029,243</u>
Fund Balances, at End of Year	<u>\$ 11,408,128</u>	<u>\$ 10,857,963</u>	<u>\$ 22,266,091</u>

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended June 30, 2013

Net Changes in Fund Balances - Total Governmental Funds	\$ (763,152)
<ul style="list-style-type: none"> Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense: <ul style="list-style-type: none"> Capital outlay purchases 8,711,942 Depreciation (6,570,526) Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., property taxes) differ between the two statements. This amount represents the net change in deferred revenue. (456,832) The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net assets: <ul style="list-style-type: none"> Repayments of debt 6,871,399 In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due, this amount reflects the change in accrued interest. 22,668 Some expenses reported in the Statement of Activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds: <ul style="list-style-type: none"> Decrease in liability for compensated absences (174,989) Increase in OPEB liability (2,450,331) Internal service funds are used by management to account for Dover Net, Central Stores, fleet maintenance and workers' compensation activities. The net activity of internal service funds is reported with Governmental Activities. 110,905 	
Changes in Net Position of Governmental Activities	\$ <u>5,301,084</u>

Statement of Revenues and Other Financing Sources, and Expenditures and Other Financing Uses - Budget and Actual - General Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues and Other Sources:				
Taxes	\$ 66,111,865	\$ 66,315,793	\$ 66,723,579	\$ 407,786
Licenses and permits	4,220,905	4,220,905	4,712,078	491,173
Intergovernmental	2,035,912	1,980,517	1,953,250	(27,267)
Current services	3,096,986	3,096,986	2,786,623	(310,363)
Education	11,753,393	11,753,393	11,336,460	(416,933)
Miscellaneous	440,437	352,437	327,773	(24,664)
Transfers	869,308	874,129	874,991	862
Total Revenues	<u>88,528,806</u>	<u>88,594,160</u>	<u>88,714,754</u>	<u>120,594</u>
Other Sources	<u>190,000</u>	<u>190,000</u>	<u>161,563</u>	<u>(28,437)</u>
Total Revenues and Other Sources	<u>88,718,806</u>	<u>88,784,160</u>	<u>88,876,317</u>	<u>92,157</u>
Expenditures and Other Uses:				
General Government				
City Council	461,065	461,065	458,391	2,674
Executive	778,979	787,887	748,284	39,603
Finance	1,587,765	1,547,765	1,517,596	30,169
Planning	463,527	463,527	456,211	7,316
Miscellaneous general government	823,908	841,408	900,752	(59,344)
Total General Government	<u>4,115,244</u>	<u>4,101,652</u>	<u>4,081,234</u>	<u>20,418</u>
Public Safety				
Police	6,918,903	6,918,903	6,642,452	276,451
Fire	6,839,516	6,839,516	6,572,233	267,283
Total Public Safety	<u>13,758,419</u>	<u>13,758,419</u>	<u>13,214,685</u>	<u>543,734</u>
Community Services - Public Works	<u>5,397,091</u>	<u>5,397,091</u>	<u>4,297,848</u>	<u>1,099,243</u>
Culture and Recreation				
Recreation	2,002,240	2,002,240	1,925,795	76,445
Public Library	1,056,273	1,056,273	954,304	101,969
Total Culture and Recreation	<u>3,058,513</u>	<u>3,058,513</u>	<u>2,880,099</u>	<u>178,414</u>
Public welfare	<u>829,853</u>	<u>869,853</u>	<u>865,122</u>	<u>4,731</u>
Education	<u>42,264,590</u>	<u>42,264,590</u>	<u>41,528,013</u>	<u>736,577</u>
Debt Service				
Principal	6,557,165	6,557,165	6,563,165	(6,000)
Interest	3,132,866	3,132,866	3,062,534	70,332
Total Debt Service	<u>9,690,031</u>	<u>9,690,031</u>	<u>9,625,699</u>	<u>64,332</u>
Intergovernmental - County tax	<u>7,482,308</u>	<u>7,521,254</u>	<u>7,521,254</u>	
Transfers	<u>2,122,757</u>	<u>2,122,757</u>	<u>2,122,757</u>	
Total Expenditures	<u>88,718,806</u>	<u>88,784,160</u>	<u>86,136,711</u>	<u>2,647,449</u>
Other Uses				
Total Expenditures and Other Uses	<u>88,718,806</u>	<u>88,784,160</u>	<u>86,136,711</u>	<u>2,647,449</u>
Revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,739,606</u>	<u>\$ 2,739,606</u>

Proprietary Funds

Statement of Net Position

June 30, 2013

	Business-Type Activities Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	DBIDA Fund	Total	Internal Service Funds
ASSETS					
Current:					
Cash and short-term investments	\$ 4,277,891	\$ 4,032,880	\$ -	\$ 8,310,771	
User fees, net of allowance for uncollectibles					
Billed	723,120	719,054		1,442,174	
Unbilled	922,158	936,060		1,858,218	
Departmental and other receivables					\$ 64,982
Intergovernmental receivables		21,595		21,595	
Due from other funds	479,943	1,582,625		2,062,568	1,399,114
Prepaid expenses					161,340
Inventory	350,751	93,082		443,833	57,799
Total current assets	<u>6,753,863</u>	<u>7,385,296</u>	<u>-</u>	<u>14,139,159</u>	<u>1,683,235</u>
Noncurrent:					
Investment in land			1,256,731	1,256,731	
Intergovernmental receivable		139,367		139,367	
Capital assets:					
Land and construction in progress	2,504,794	3,194,717	20,579	5,720,090	
Other capital assets, net of accumulated depreciation	<u>26,987,387</u>	<u>38,432,278</u>	<u></u>	<u>65,419,665</u>	<u></u>
Total noncurrent assets	<u>29,492,181</u>	<u>41,766,362</u>	<u>1,277,310</u>	<u>72,535,853</u>	<u></u>
Total Assets	<u>36,246,044</u>	<u>49,151,658</u>	<u>1,277,310</u>	<u>86,675,012</u>	<u>1,683,235</u>
LIABILITIES					
Current:					
Accounts payable	190,054	104,018	977	295,049	87,260
Accrued liabilities	84,928	42,809	7,081	134,818	11,895
Retainage payable	72,390	113,886		186,276	
Unearned revenue	50,629	2,292,535		2,343,164	
Due to other funds			88,105	88,105	
Current portion of long-term liabilities:					
Claims liability					348,000
Bonds payable	1,108,458	1,073,266		2,181,724	
Compensated absences	5,000	12,000		17,000	36,209
Total current liabilities	<u>1,511,459</u>	<u>3,638,514</u>	<u>96,163</u>	<u>5,246,136</u>	<u>483,364</u>
Noncurrent:					
Claims liability, net of current portion					186,071
Bonds payable, net of current portion	11,397,342	8,790,075		20,187,417	
Compensated absences	65,986	47,840	6,989	120,815	
Other post-employment benefits liability	799,436	666,269		1,465,705	
Total noncurrent liabilities	<u>12,262,764</u>	<u>9,504,184</u>	<u>6,989</u>	<u>21,773,937</u>	<u>186,071</u>
Total Liabilities	<u>13,774,223</u>	<u>13,142,698</u>	<u>103,152</u>	<u>27,020,073</u>	<u>669,435</u>
NET POSITION					
Net investment in capital assets	18,724,703	31,654,514	20,579	50,399,796	
Restricted for capital outlay	2,472,294	2,527,504	3,000	5,002,798	238,716
Unrestricted (deficit)	<u>1,274,824</u>	<u>1,826,942</u>	<u>1,150,579</u>	<u>4,252,345</u>	<u>775,084</u>
Total Net Position	<u>\$ 22,471,821</u>	<u>\$ 36,008,960</u>	<u>\$ 1,174,158</u>	<u>\$ 59,654,939</u>	<u>\$ 1,013,800</u>

Proprietary Funds

Statement of Revenues, Expenses and Changes in Fund Net Position

For the Year Ended June 30, 2013

	Business-Type Activities Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	DBIDA Fund	Total	Internal Service Funds
Operating Revenues:					
Charges for services	\$ 4,392,738	\$ 4,873,190		\$ 9,265,928	\$ 1,567,577
Investment fees	181,161	368,282		549,443	
Other revenue	106,138	111,977	\$ 1,200	219,315	327,634
Total Operating Revenues	<u>4,680,037</u>	<u>5,353,449</u>	<u>1,200</u>	<u>10,034,686</u>	<u>1,895,211</u>
Operating Expenses:					
Personal services	1,200,232	1,543,400	114,282	2,857,914	2,202,523
Purchased services	286,539	530,302	17,429	834,270	824,312
Supplies	624,304	818,525	3,028	1,445,857	80,182
Minor equipment	21,964	62,558		84,522	62,418
Depreciation	877,890	2,300,114		3,178,004	
Other expenses	159,476	222,638	161	382,275	383,231
Total Operating Expenses	<u>3,170,405</u>	<u>5,477,537</u>	<u>134,900</u>	<u>8,782,842</u>	<u>3,552,666</u>
Operating Income (Loss)	<u>1,509,632</u>	<u>(124,088)</u>	<u>(133,700)</u>	<u>1,251,844</u>	<u>(1,657,455)</u>
Nonoperating Revenues (Expenses):					
Investment income	1,142	1,081		2,223	
Interest expense	(428,263)	(389,413)		(817,676)	
Total Nonoperating Revenues (Expenses), Net	<u>(427,121)</u>	<u>(388,332)</u>		<u>(815,453)</u>	<u>-</u>
Transfers in (out)	(75,005)	(20,377)	130,000	34,618	1,740,325
Intergovernmental	600,000	285,997		885,997	28,035
Capital Contributions	<u>346,642</u>	<u>154,270</u>		<u>500,912</u>	
Change in Net Position	<u>1,954,148</u>	<u>(92,530)</u>	<u>(3,700)</u>	<u>1,857,918</u>	<u>110,905</u>
Net Position at Beginning of Year	<u>20,517,673</u>	<u>36,101,490</u>	<u>1,177,858</u>	<u>57,797,021</u>	<u>902,895</u>
Net Position at End of Year	<u>\$ 22,471,821</u>	<u>\$ 36,008,960</u>	<u>\$ 1,174,158</u>	<u>\$ 59,654,939</u>	<u>\$ 1,013,800</u>

Proprietary Funds

Statement of Cash Flows

For the Year Ended June 30, 2013

	Business-Type Activities Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	DBIDA Fund	Total	Internal Service Funds
Cash Flows From Operating Activities:					
Receipts from customers and users for services	\$ 1,851,432	\$ 4,986,313		\$ 6,837,745	\$ 1,883,840
Receipts from customers and users for investment fees	287,299	480,259	\$ 1,200	768,758	
Payments to vendors and contractors	(1,274,622)	(1,617,321)	(21,189)	(2,913,132)	(2,672,067)
Payments of employee salaries and benefits	(1,229,793)	(1,522,610)	(115,468)	(2,867,871)	(833,216)
Receipts for interfund service provided	115,612			115,612	402,866
Payments for interfund service provided		1,155,635	5,457	1,161,092	(549,783)
Net Change in Operating Activities	<u>(250,072)</u>	<u>3,482,276</u>	<u>(130,000)</u>	<u>3,102,204</u>	<u>(1,768,360)</u>
Cash Flows From Noncapital Financing Activities:					
Transfers in			130,000	130,000	1,780,437
Transfers out	(75,005)	(20,377)		(95,382)	(40,112)
Intergovernmental subsidy					28,035
Net Change in Noncapital Financing Activities	<u>(75,005)</u>	<u>(20,377)</u>	<u>130,000</u>	<u>34,618</u>	<u>1,768,360</u>
Cash Flows From Capital and Related Financing Activities:					
Purchases of capital assets and land for investment	(1,768,661)	(2,121,224)		(3,889,885)	
Capital contributions - federal and state grants	600,000	285,997		885,997	
Principal payments on bonds and notes	(978,000)	(1,076,416)		(2,054,416)	
Proceeds from bonds	3,400,000	279,157		3,679,157	
Interest expense	(428,263)	(389,413)		(817,676)	
Net Change in Capital and Related Financing Activities	<u>825,076</u>	<u>(3,021,899)</u>	<u></u>	<u>(2,196,823)</u>	<u>-</u>
Cash Flows From Investing Activities:					
Investment income	1,142	1,081		2,223	
Net Change in Investing Activities	<u>1,142</u>	<u>1,081</u>	<u></u>	<u>2,223</u>	<u>-</u>
Net Change in Cash and Short-Term Investments	<u>501,141</u>	<u>441,081</u>	<u></u>	<u>942,222</u>	<u></u>
Cash and Short-Term Investments, Beginning of Year	<u>3,776,750</u>	<u>3,591,799</u>	<u></u>	<u>7,368,549</u>	<u></u>
Cash and Short-Term Investments, End of Year	<u>\$ 4,277,891</u>	<u>\$ 4,032,880</u>	<u>\$ -</u>	<u>\$ 8,310,771</u>	<u>\$ -</u>
Reconciliation of Operating Income to Net Change in Operating Activities:					
Operating income (loss)	\$ 1,509,632	\$ (124,088)	\$ (133,700)	\$ 1,251,844	\$ (1,657,455)
Adjustments to reconcile operating income (loss) to net change in operating activities:					
Depreciation	877,890	2,300,114		3,178,004	
Changes in assets and liabilities:					
User fees	152,476	129,445		281,921	
Inventory	(47,930)	(1,864)		(49,794)	3,049
Departmental and other receivables	20,629	434,779		455,408	(11,371)
Interfund receivables and payables	115,612	1,155,635	5,457	1,276,704	(146,916)
Other assets					(25,000)
Accounts payable	(55,658)	(4,272)	(571)	(60,501)	7,704
Accrued liabilities	(35,345)	37,544	(724)	1,475	70,180
Unearned revenue	(2,714,411)	(451,101)		(3,165,512)	
Retainage payable	(165,632)	(100,673)		(266,305)	
Compensated absences	5,784	(16,754)	(462)	(11,432)	(8,551)
OPEB liability	86,881	123,511		210,392	
Net Change in Operating Activities	<u>\$ (250,072)</u>	<u>\$ 3,482,276</u>	<u>\$ (130,000)</u>	<u>\$ 3,102,204</u>	<u>\$ (1,768,360)</u>

Fiduciary Funds

Statement of Fiduciary Net Position

June 30, 2013

	Agency Funds	Private Purpose Trust Funds
ASSETS		
Cash and short term investments	\$ 273,491	
Due from other funds	774,645	\$ 812,935
Total Assets	<u>1,048,136</u>	<u>812,935</u>
LIABILITIES AND NET ASSETS		
Other liabilities	1,048,136	
Total Liabilities	<u>1,048,136</u>	<u>-</u>
NET Position		
Total Net Position Held in Trust	\$ <u>-</u>	\$ <u>812,935</u>

Fiduciary Funds

Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2013

	Private Purpose Trust Funds
Additions:	
Investment earnings	\$ 53,982
Total	<u>53,982</u>
Deductions:	
Disbursements by agent	<u>22,069</u>
Total deductions	<u>22,069</u>
Net increase	31,913
Net Position:	
Beginning of year	<u>781,022</u>
End of year	<u>\$ 812,935</u>

Notes to Financial Statements

June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Dover, New Hampshire (the City/Government) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

Reporting Entity

The government is a municipal corporation governed by an elected mayor, eight-member council and an appointed City Manager. In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may be financially accountable and, as such, should be included within the City's financial statements. In accordance with GASB Statement No. 14 as amended by GASB Statement No. 61, the City is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. Additionally, the City is required to consider other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading. In fiscal year 2013, it was determined that no entities met the required criteria to be included as a component unit.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Notes to Financial Statements

June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The government reports the following major governmental fund:

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The government reports the following major proprietary funds:

- The Water Fund accounts for the operation of a water treatment plant, city wells and water system
- The Sewer Fund accounts for the operation of a sewer treatment plant, pumping station and sewer lines.
- The Dover Business and Industrial Development Authority Fund (DBIDA) accounts for the economic development projects of the DBIDA, which operates under RSA 162-G.

Notes to Financial Statements

June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Fund Financial Statements – Continued

Additionally, the government reports the following fund type:

- Internal service funds account for data processing, fleet management services, workers compensation administration and claims, and OPEB expenses provided to other departments on the cost reimbursement basis.

Fiduciary funds employ the same economic resources measurement focus and accrual basis of accounting as do proprietary funds. Agency funds, however, only report assets and liabilities, and thus have no measurement focus. The government also reports the following fiduciary funds:

- The Private-Purpose Trust Funds are used to account for trust arrangements, under which principal and investment income exclusively benefit individuals, private organizations, or other governments. Private Purpose Trust Funds held by the City include trust arrangements for Cemetery general care, Parks & Recreation program scholarships, Welfare benefits, and School scholarships.

Agency funds account for fiduciary assets held by the City in a custodial capacity as an agent on behalf of others. Agency funds held by the City include the Chamber of Commerce, Performance Bonds, Department Agency, and School Agency.

As a general rule and per the City's policy, the effect of interfund activity has been eliminated from the government-wide financial statements. The reimbursements from other funds included in internal service funds revenue are eliminated on the government-wide level to remove the "doubling up" effect of internal service activity.

Cash and Investments

The government's cash is considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The New Hampshire Public Deposit Investment Pool (NHPDIP) operates in accordance with appropriate state laws and regulations and is under the control of the New Hampshire Banking Commission. The reported value of the pool is the same as the fair value of the pool shares. Participation units of the NHPDIP are considered short-term for financial presentation purposes.

Investments are considered holdings of greater than three months and are reported at fair value.

City Funds

Under New Hampshire RSA 48:16, the City Treasurer may invest excess funds which are not immediately needed for the purpose of expenditure, in obligations of the United States government, in participation units in the public deposit investment pool established pursuant to RSA 383:22, in savings bank deposits of banks incorporated under the laws of the state of New Hampshire or in certificates of deposits and repurchase agreements of banks incorporated under the laws of the state of New Hampshire or in banks recognized by the state treasurer. At least yearly, the City Council shall review and adopt an investment policy for the investment of public funds in conformance with the provisions of applicable statutes. The significant sections of that policy are disclosed in Note 3.

Notes to Financial Statements

June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Trust Funds

Under New Hampshire RSA 34:5, capital reserve funds of the City shall be invested only by deposit in some savings banks or in the savings department of a national bank or trust company, or in the shares of a cooperative bank, building and loan association, or federal savings and loan association, in this state or in bonds, notes or other obligations of the United States government, in bonds or notes of this state, in such stocks and bonds as are legal for investment by New Hampshire savings banks, or in participation units in the public deposit investment pool established pursuant to RSA 383:22 by the trustees of the trust funds.

Under New Hampshire RSA 31:27, the city trustees of trust funds may establish, maintain and operate one or more common trust funds, in which may be combined money and property belonging to the various trusts in their care, for the purpose of facilitating investments, providing diversification and obtaining reasonable income; provided, however, that said common trust funds shall be limited to the investments authorized in RSA 31:25; provided further, that not more than \$10,000 or more than 10 percent of the fund whichever is greater of any town or city common trust funds shall be invested under RSA 31:25 in the obligations of any one corporation or organization, excepting deposits in any federally or state-chartered bank or association authorized to engage in a banking business in this state, in credit unions in this state, or in obligations of the United States and of the state of New Hampshire and its subdivisions; or in participation units in the public deposit investment pool established pursuant to RSA 383:22, or in shares of open-ended mutual funds selected by the trustees for investment under RSA 31:25.

Under New Hampshire RSA 31:25, at least yearly, the trustees of trust funds shall review and adopt an investment policy for the investment of public funds in conformance with the provisions of applicable statutes. The significant sections of that policy are disclosed in Note 3.

Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due from/to other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

Advances between funds are offset by a fund balance reserve accounting applicable governmental funds to indicate the portion not available for appropriation and not available as expendable financial resources.

Any residual balances between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Inventories

Inventories are valued at the lower of cost or market using the first-in/first-out (FIFO) method. The costs of inventories is recorded as an expense when consumed rather than when purchased.

Notes to Financial Statements

June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. No interest was capitalized during 2013.

Property, plant, and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Buildings	20 – 40 years
Building improvements	40 years
Building systems	15 – 24 years
Infrastructure	20 – 40 years
Water/sewer infrastructure	24 – 50 years
Vehicles	8 – 15 years
Office equipment	7 – 20 years
Computer equipment	5 – 10 years
Land improvements	15 – 20 years
Machinery and equipment	5 – 15 years
Books and collections	5 years

Compensated Absences

Depending on the union, employees may be compensated for unused amounts of sick leave earned prior to June 30, 1993, ranging from 25% to 75% of accumulated time. Effective June 30, 1993, all non-education employees are awarded sick leave at a rate of 10 days per year, which lapses at year end. Employees earn vacation leave as they provide services. Employees may carry over earned vacation days with some limitations (usually sixty days) and use compensatory time for unused balances upon termination with some limitations, usually 30 days.

All vested sick and vacation pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

During fiscal year 2002, the City began funding the current vested portion of vacation and sick time for non-enterprise fund employees by establishing a capital reserve fund. The balance in the fund as of June 30, 2013 was \$277,480. The vested portion attributable to enterprise fund employees has been recorded in the respective fund.

Notes to Financial Statements

June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Deferred Inflows of Resources

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as a inflow of resources (revenue) until that time. The City has two items, which arises under a modified accrual basis of accounting that qualifies for reporting in this category, unavailable revenue from property taxes and unavailable revenue from long-term receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Fund Balances

In the governmental fund financial statements fund balance is reported in five classifications.

Nonspendable fund balance	Nonspendable fund balance represent fund balance amounts that are not in spendable form, such as inventories and prepaid items or are legally or contractually required to be maintained intact.
Restricted	Resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.
Committed	Resources which are subject to limitations the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner. The City Council is the highest level of decision-making authority for the City that can, by adoption of a resolution prior to the end of the fiscal year, commit a fund balance.
Assigned	Resources neither restricted nor committed for which a government has a stated intended use as established by the City Council or a body or official to which the City Council has delegated the authority to assign amounts for specific purposes. These funds, which include encumbrances, have been assigned for specific goods and services ordered but not yet paid for at year end. The City Council has by resolution authorized the City's management to assign fund balance amounts to a specific purpose. This account also includes fund balance authorized by provisions of the City Charter to be used in a subsequent fiscal year.

Notes to Financial Statements

June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Fund Balances

Unassigned

Resources which cannot be properly classified in one of the other four categories. The General Fund should be the only fund that reports a positive unassigned fund balance amount. When fund balance is negative the amount is reported as unassigned.

The City's fund balance policy establishes that an amount equal to at least 8% of the City's most recent approved operating budget shall be established as a minimum unassigned fund balance.

Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumptions must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

Recent Adopted Accounting Pronouncements

In November 2010, the GASB issued GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34". This statement modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity, and financial reporting entity display and disclosure requirements. It applies to financial reporting by primary governments and other stand-alone governments, and to the separately issued financial statements of governmental component units as defined in GASB Statement No. 14. The adoption of this statement did not have a significant impact on the City's financial statements.

Notes to Financial Statements

June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Recent Accounting Pronouncements

In June 2011, the GASB issued GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". This statement will require amounts reported as deferred outflows and inflows of resources to be reported in a separate section following assets and liabilities, respectively, in a new statement of net position. The adoption of this statement did not have a significant impact on the City's financial statements.

In March 2012, the GASB issued GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities". This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows and inflows of resources, certain items that were previously reported as assets and liabilities. The adoption of this statement did not have a significant impact on the City's financial statements.

In June 2012, the GASB issued GASB Statement No. 68, "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27". This statement improves accounting and financial reporting by state and local governments for pensions. The new statement is effective for periods beginning after June 15, 2014. The City is currently assessing the impact of this statement on its financial statements.

NOTE 2 – STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The City Manager submits his proposed operating budget to the City Council on or before April 15th. The operating budget includes proposed expenditures and the means of financing them. Annual budgets are legally adopted for the following funds: general, parking activity, residential solid waste, library fines, tuition programs, school alternative education, school facilities, McConnell Center, police DHA and school cafeteria. Proprietary funds with annually adopted budgets are water and sewer funds. Public hearings are conducted to obtain comments on the proposed budget. The final budget must be adopted by June 15th, but not earlier than seven days after a public hearing. A separate public hearing is held on the portion of the budget submitted by the School Board.

The City Manager may transfer budgeted amounts within each non-school Department without City Council approval. The City Manager may transfer budgeted amounts between non-school Departments only after obtaining approval from the Council. The Superintendent of the School Department may transfer budgeted amounts within the Department as needed. The City Council may, after public hearings, appropriate additional amounts. The City Council must designate the source of such funds except for emergency situations. All unencumbered appropriations, except those for capital expenditures or dedicated funds, lapse at the end of the fiscal year. Appropriation for capital expenditures remains in force for three years or until their purpose has been accomplished or abandoned.

Budgetary Basis

The General Fund's final appropriation appearing on the Budget and Actual page of the fund financial statements represents the final amended budget after all transfers and supplemental appropriations.

Notes to Financial Statements

June 30, 2013

NOTE 2 – STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY – CONTINUED

Budget/GAAP Reconciliation

The budgetary data for the general and special revenue funds is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations of the general fund and various special revenue funds are presented in accordance with budgetary accounting principles to provide a meaningful comparison with budgetary data.

The following is a summary of adjustments made to the actual revenues and other sources, and expenditures and other uses, to conform to the budgetary basis of accounting.

	Revenues and other financing sources	Expenditures and other financing uses	Revenues and other financing sources over (under) expenditures and other financing uses
General Fund			
Revenues/expenditures (GAAP basis)	\$88,410,471	\$84,705,751	\$ 3,704,720
Other financing sources/uses (GAAP basis)	1,036,554	3,666,379	(2,629,825)
	<u>89,447,025</u>	<u>88,372,130</u>	<u>1,074,895</u>
Reverse beginning of year appropriation carryforwards from expenditures		(2,218,819)	2,218,819
Reverse on-behalf payments	(570,424)	(570,424)	
Add end of year appropriation carryforwards to expenditures		1,202,662	(1,202,662)
Less expenditures from reserves and carryovers		(604,005)	604,005
Other adjustments	<u>(284)</u>	<u>(44,833)</u>	<u>44,549</u>
Budgetary Basis	<u>\$88,876,317</u>	<u>\$ 86,136,711</u>	<u>\$ 2,739,606</u>

Excess of Expenditures Over Appropriations

Expenditures exceeded appropriations in the following areas:

Internal Services Funds	
Workers Compensation	\$ (476,749)

Notes to Financial Statements

June 30, 2013

NOTE 2 – STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY – CONTINUED

Deficit Fund Equity

The individual projects within the following funds had deficits as of June 30, 2013:

Nonmajor Govenmental funds		
Special Revenue Funds:		
Community Development	\$ (252,821)	(A)
Housing and Urban Development	(22,886)	(A)
DOE Energy Efficiency	(10,034)	(A)
Police DHA Fund	(26,791)	(A)
Police DOT Fund	(26,503)	(A)
Homeland Security Fund	(40,409)	(A)
DHHS Assistance Programs	(71,914)	(A)
EPA Fund	(112,267)	(A)
Dover Main Street Fund	(5,358)	(A)
Police and Fire Detail	(36,471)	(A)
Tuition Programs	(6,229)	(A)
McConnell Center	(396,437)	(B)
Field Maintenance Fund	(38,339)	(B)
Capital Project Funds:		
CIP FY14	(1,363)	(B)
CIP FY12	(261,004)	(B)
CIP FY10	(23,289)	(B)
CIP FY07	(469,542)	(B)
CIP FY06	(22,356)	(B)
CIP FY05	(420,870)	(B)
CIP FY04	(117,791)	(B)
CIP FY03, FY02, FY00	(109,765)	(B)
Tolend Road Landfill Closure	(799,197)	(B)

(A) The deficits in these funds will be eliminated through the future grant reimbursements.

(B) The deficits in these funds will be eliminated through future departmental revenues and transfers from other funds.

NOTE 3 – CASH AND INVESTMENTS

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the deposits may not be returned. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. None of the City's deposits or investments were exposed to custodial credit risk.

Notes to Financial Statements

June 30, 2013

NOTE 3 – CASH AND INVESTMENTS – CONTINUED

City Funds

The City's Investment Policy requires the use of security broker/dealers be based on credit-worthiness (a minimum capital requirement of \$100,000,000 and at least five years of operation). Permitted investment per state law and the City's policy are U.S. Government Obligations, New Hampshire Public Deposit Investment Pool (NHPDIP), Certificates of Deposits in New Hampshire banks and overnight Repurchase Agreements whose underlying securities consist of U.S. Government Obligations, U.S. Government Agency Obligations or State of New Hampshire Obligations. Financial institutions where funds are kept on deposit, in CDs or Repurchase Agreements must meet the following criteria:

- Minimum total assets of \$100 million.
- Minimum of an average rating by a bank rating service.
- Minimum ratio of equity capital to total assets of 5%.
- Maximum ratio of non-performing assets to equity of 20%.

Full collateralization is required on non-negotiable CDs or overnight Repurchase Agreements. Repurchase Agreement collateral must consist of U.S. Government Obligations, U.S. Government Agency Obligations or State of New Hampshire Obligations.

Maximum maturity for an investment of City funds is six months. As of June 30, 2013, the City's bank balance of \$37,614,998 was fully insured or collateralized.

Trust Funds

The Investment Policy of the City's Board of Trustees of the Trust Funds permits deposits and investments in:

- Deposits in savings banks or the savings department of a national bank or trust company in the state of New Hampshire or in the NHPDIP.
- Shares of a building and loan association or cooperative bank, incorporated and doing business under New Hampshire law.
- Shares of any federal savings and loan association, located and doing business in New Hampshire.
- Certificates of deposits in New Hampshire.
- Bonds, notes or other obligations of the U.S. Government or the state, county, town, city, school district or water and sewer district.
- Stocks and bonds as are legal for investment by New Hampshire savings banks.
- Shares of mutual funds or money market mutual funds.
- The Board of Trustees of Trust Funds' standard for investing Common Trust Funds is the Prudent Investor Rule in accordance with RSA 31:25-d. To comply with the provisions of the Prudent Investor Rule, the Board engaged the services of an investment advisor.

Notes to Financial Statements

June 30, 2013

NOTE 3 – CASH AND INVESTMENTS – CONTINUED

Credit Risk

The City's Investment Policy and the Board of Trustees Investment Policy minimize credit risk by limiting investments to the safest types of securities as listed above, pre-qualifying institutions and diversifying the portfolio. In addition, they do not permit investments made with leveraging techniques, margin purchases or trading involving short selling. The Board of Trustees' Investment Policy also addresses specific ratio analysis and financial parameters for investments in stocks, bonds and mutual funds. In fiscal year 2013 the trust investments authorized to be managed by the Board's investment advisor were as follows:

Equity Investments

The Equity asset class may be comprised of individual securities, mutual funds and other pooled asset portfolios that are invested principally in equity securities of U.S. or international companies that have a proven record of earnings, growth, strong fundamentals and good valuations. These securities may be listed on registered exchanges, or actively traded in the over-the counter market, or considered to be restricted securities (provided that the percentage of the fund's assets invested in such securities conform to the investment instrument's prospectus).

Fixed Income Investments

The Fixed Income asset class may be comprised of individual securities, mutual funds and other pooled assets portfolios that are invested principally in fixed income securities rated investment grade or better (rated in one of the four highest rating categories by a National Recognized Statistical Rating Organization (NRSRO) at the time of purchase), or, if not rated, are determined to be of comparable quality by the Investment Advisor or a mutual fund manager.

Cash Equivalent Reserves

Cash equivalent reserves shall consist of money market mutual funds that comply with Rule 2a-7 under the Investment Company Act of 1940, as amended, or in the New Hampshire Public Deposit Investment Pool.

Investments as of June 30, 2013 consisted of:

	Fair Value	Investment Maturities (in Years)			
		1 - 5	6 - 10	More than 10	No Maturity
Corporate Bonds	\$ 389,867	\$236,740	\$ 153,127		
Bond Funds	935,246				\$ 935,246
Common Stock and Mutual Funds	1,618,952				1,618,95
Money Market, less than one year	338,731	338,731			
Total Investments	<u>\$3,282,796</u>	<u>\$575,471</u>	<u>\$ 153,127</u>	<u>\$ -</u>	<u>\$2,554,198</u>

Notes to Financial Statements

June 30, 2013

NOTE 3 – CASH AND INVESTMENTS – CONTINUED

Cash Equivalent Reserves – Continued

The City's investment in debt securities that require disclosure of credit risk were rated by Moody's as follows:

Fixed income corporate bonds \$186,083—Aaa; Fixed income corporate bonds \$203,784—Aa thru A3; Bond funds \$93,727—Aaa and \$129,494 below Aaa, with 19% of these funds (32% of the non-Aaa portion) rated A1 or better.

As of June 30, 2013, the City did not have investments in any one issuer that exceeded 5% of investments.

City Funds

The City's Investment Policy limits its exposure to concentration credit risk by limiting the types of investment securities that it holds to U.S. Government Obligations and by splitting its short term deposits between financial institutions that fully collateralize them and the NHPDIP that also collateralizes the deposits and fully insures them.

Trust Funds

It is the policy of the Trustees that common investments shall be diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, industry or specific issuer. The Trustees' concentration of credit risk policy is as follows:

Approved Allocation Guidelines for Common Trust Assets

Cash	0% - 10%
Fixed Income	40% - 60%
Equities	40% - 60%
Inflation Hedge	0% - 10%

The Fixed Income allocation shall consist of 15% or less of high yield bond funds.

Common Trust Accumulated Income Assets

Cash	25% - 100%
Fixed Income	0% - 75%
Equities	0% - 35%

The Fixed Income allocation shall consist of no investment into high yield bond funds. Investment into Fixed Income and Equities investments is only at specific direction of the Board of Trustees of Trust Funds.

Capital Reserve Funds

Cash	5% - 100%
U.S. Treasuries	0% - 60%
AAA Government Agencies	0% - 60%

Notes to Financial Statements

June 30, 2013

NOTE 3 – CASH AND INVESTMENTS – CONTINUED

Capital Reserve Funds – Continued

In fiscal year 2013 all Capital Reserve Funds' investments were fully collateralized.

- No more than 10% of the portfolio (cost basis including cash and investments) shall be invested in the obligations of any one entity, corporation or organization exclusive of U.S. government or agency obligations. A mutual fund will be considered one entity.
- No more than 20% (market value) shall be invested in any one sector.
- About 10% of the portfolio should be kept in more liquid money market accounts.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

City Funds

The City minimizes the risk that the market value of securities will fall due to changes in general interest rates by structuring the portfolio so securities mature to meet the cash requirements for on-going operations thus avoiding the need to sell securities on the open market prior to maturity. The policy also provides for investing primarily in shorter-term securities including the local government investment pool.

Trust Funds

The Trust recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary loss of liquidity. Portfolio diversification is to be employed as a way to control risk. The Trustees' investment advisor is expected to use prudence in the selection of securities as a way to minimize default risk. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the specific issuer. The Trustees' investment advisor shall review and, if appropriate, proceed to liquidate any securities having comparable credit risks.

Foreign Currency Risk

Specific investment in foreign securities is not permitted by either the City or Board of Trustees Investment Policies. Mutual Funds held by the Board of Trustees may have insignificant holdings in foreign securities.

The City and Board's policies also outline other specific investment criteria and are available for review at www.dover.nh.gov.

NOTE 4 – TAXES RECEIVABLE

The City bills property taxes semi-annually, in October and April of the following year. Property tax revenues are recognized in the fiscal year for which taxes have been levied to the extent that they become available, i.e., due or receivable within the current fiscal year and collected within the current period or within 60 days of year-end.

The City bills property taxes semi-annually, in October and April of the following year. Property tax revenues are recognized in the fiscal year for which taxes have been levied to the extent that they become available, i.e., due or receivable within the current fiscal year and collected within the current period or within 60 days of year-end.

Notes to Financial Statements

June 30, 2013

NOTE 4 – TAXES RECEIVABLE – CONTINUED

Property taxes are due no earlier than December 1 and June 1, of the following year and must be due at least 30 days after bills are mailed. At the time of the tax lien, which the City usually places within 60 to 90 days after the second due date, a lien is recorded on the property at the Registry of Deeds. If the property taxes are not paid (redeemed) within two years and one day of the tax lien date, the property could be conveyed to the City by deed and subsequently sold at public auction or sealed bid.

The City annually budgets an amount (overlay for abatements) for property tax abatements and refunds. All abatements and refunds are charged to overlay. Prior to fiscal year 1996, the City was funding all abatement out of the current year appropriation regardless of the levy of the tax. During fiscal year 1996, the City began matching property tax abatements for individual levy years, with the tax revenue earned by the individual levy years.

Taxes receivable at June 30, 2013 are comprised of (in thousands):

Unredeemed taxes:	
Levy of fiscal year 2013	\$ 3,104
Levy of fiscal year 2012	803
Levy of fiscal year 2011	484
Levy of fiscal year 2010	124
Levy of fiscal year 2009	70
Levy of fiscal year 2008	29
Levy of fiscal year 2007	3
Allowance for uncollectibles	(203)
	<u>4,414</u>
Other taxes:	
Other miscellaneous taxes	50
	<u>\$ 4,464</u>

NOTE 5 – DEPARTMENTAL AND OTHER RECEIVABLES

Departmental and other receivables, as reported in the governmental funds represent ambulance, police detail, current use receivables and other reimbursements.

	Ambulance	Conservation Fund	Residential Solid Waste	Other	Total
Gross	\$ 1,253,376	\$ 86,079	\$ 42,908	\$ 1,038,913	\$ 2,421,276
Less allowance for doubtful accounts	(864,978)				(864,978)
	<u>\$ 388,398</u>	<u>\$ 86,079</u>	<u>\$ 42,908</u>	<u>\$ 1,038,913</u>	<u>\$ 1,566,298</u>

NOTE 6 – INTERGOVERNMENTAL RECEIVABLES

Intergovernmental receivables of \$333,675 reported in the general fund represents tuition revenue received from area school districts in July and August. The balance of \$682,842 reported in the nonmajor governmental funds represents amounts to be received on various expenditure driven grants.

Notes to Financial Statements

June 30, 2013

NOTE 6 – INTERGOVERNMENTAL RECEIVABLES – CONTINUED

The New Hampshire Department of Environmental Services annually reimburses the City for a portion of the principal and interest payments on Sanitary Sewer Funds bonds. The reimbursement is based upon the amount of the State's participation in the original sewer project. The amount due from the State in future years is as follows:

Fiscal Year Ended June 30,:	Reimbursement For		
	Principal	Interest	Total
2014	\$ 15,355	\$ 6,240	\$ 21,595
2015	15,338	5,688	21,026
2016	15,304	5,078	20,382
2017	13,915	4,458	18,373
2018	13,916	3,910	17,826
Thereafter	80,894	14,899	95,793
	<u>\$ 154,722</u>	<u>\$ 40,273</u>	<u>\$ 194,995</u>

In the Sewer Enterprise fund, the City has accrued \$6,240 of interest due in fiscal year 2013, along with all principal as Intergovernmental Receivables at June 30, 2013.

NOTE 7 – LOANS RECEIVABLE

Loans receivable of \$856,214 in nonmajor governmental funds represent the uncollected balance of community development loans.

NOTE 8 – INTERFUND FUND RECEIVABLES, PAYABLES, AND TRANSFERS

The City maintains self-balancing funds; however, most cash transactions flow through the general fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The amount listed as advance to other funds which is due to the general fund is from the McConnell Center Fund relates to cash flow hardship, and is not scheduled to be collected in the subsequent year. The following is an analysis of the June 30, 2013 balances in interfund receivable and payable accounts:

Fund	Due From Other Funds	Due to Other Funds	Advance to Other Funds	Advance From Other Funds
General Fund		\$ 9,219,781	\$ 433,176	
Nonmajor Governmental Funds	\$ 9,666,213	5,407,589		\$ 433,176
Major Proprietary Funds:				
Enterprise Funds:				
Water	479,943			
Sewer	1,582,625			
DBIDA		88,105		
Nonmajor Proprietary Funds:				
Internal Service Funds	1,399,114			
Fiduciary Funds:				
Agency Funds	774,645			
Private Purpose Funds	812,935			
	<u>\$ 14,715,475</u>	<u>\$ 14,715,475</u>	<u>\$ 433,176</u>	<u>\$ 433,176</u>

Notes to Financial Statements

June 30, 2013

NOTE 8 – INTERFUND FUND RECEIVABLES, PAYABLES, AND TRANSFERS - CONTINUED

Interfund transfers are used to move unrestricted general fund revenues to finance various programs that the City must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs. The following is an analysis of the June 30, 2013 interfund transfers:

Fund	Transfers In	Transfers Out
General Fund	\$ 1,036,554	\$ (3,666,379)
Nonmajor Governmental Funds	854,884	
Major Proprietary Funds:		
Enterprise Funds		
Water		(75,005)
Sewer		(20,377)
DBIDA	130,000	
Nonmajor Proprietary Funds		
Internal Service Funds	1,740,323	
Total Interfund Transfers	\$ 3,761,761	\$ (3,761,761)

NOTE 9 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013 was as follows (reported in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 110,559	\$ 1,521	\$ (333)	\$ 111,747
Machinery, equipment and furnishings	28,757	1,087	(2,168)	27,676
Infrastructure	79,474	2,097		81,571
Total capital assets, being depreciated	218,790	4,705	(2,501)	220,994
Less accumulated depreciation:				
Buildings and improvements	(35,074)	(2,374)	177	(37,271)
Machinery, equipment and furnishings	(19,635)	(1,788)	2,121	(19,302)
Infrastructure	(46,773)	(2,408)		(49,181)
Total accumulated depreciation	(101,482)	(6,570)	2,298	(105,754)
Total capital assets, being depreciated, net	117,308	(1,865)	(203)	115,240
Capital assets, not being depreciated:				
Land	14,444	193	(39)	14,598
Construction in progress	19,052	5,157	(1,095)	23,114
Total capital assets, not being depreciated	33,496	5,350	(1,134)	37,712
Governmental Activities Capital Assets, Net	\$ 150,804	\$ 3,485	\$ (1,337)	\$ 152,952

Notes to Financial Statements

June 30, 2013

NOTE 9 – CAPITAL ASSETS – CONTINUED

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 39,315	\$	\$	\$ 39,315
Machinery, equipment and furnishings	15,372	117	(40)	15,449
Infrastructure	65,910	501		66,411
Total capital assets, being depreciated	120,597	618	(40)	121,175
Less accumulated depreciation:				
Buildings and improvements	(21,335)	(863)		(22,198)
Machinery, equipment and furnishings	(7,462)	(982)	40	(8,404)
Infrastructure	(23,820)	(1,333)		(25,153)
Total accumulated depreciation	(52,617)	(3,178)	40	(55,755)
Total capital assets, being depreciated, net	67,980	(2,560)		65,420
Capital assets, not being depreciated:				
Land	1,785			1,785
Construction in progress	163	3,772		3,935
Total capital assets, not being depreciated	1,948	3,772		5,720
Business-Type Activities Capital Assets, Net	\$ 69,928	\$ 1,212	\$	\$ 71,140

Depreciation expense was charged to functions of the City as follows (in thousands):

Governmental Activities:	
General government	\$ 242
Public safety	570
Public works	3,401
Education	1,839
Culture and recreation	516
Public welfare	2
Total Depreciation Expense - Governmental Activities	\$ 6,570
Business-Type Activities:	
Water	\$ 878
Sewer	2,300
Total Depreciation Expense – Business-Type Activities	\$ 3,178

Notes to Financial Statements

June 30, 2013

NOTE 9 – CAPITAL ASSETS – CONTINUED

Construction Commitments:

Active construction in progress at June 30, 2013 and commitments outstanding consist of the following:

	Construction in Progress	Remaining Commitments
Government Activities:		
Tolend Road Landfill	\$ 11,699,361	
Cocheco Dredge Cell	3,598,408	\$ 2,771
Street Reconstruction – Applevale Area	1,517,502	432,939
Tolend Road – Landfill Closure	1,819,794	
Tolend Road – Bellamy Plume Trust	977,943	
Tolend/Watson Road Improvements	897,316	3,651,035
Tolend Road – BioRemediation	730,856	
TIP – Cocheco River Bridge	696,568	
Berry Brook Watershed Plan – Phase 2	315,117	56,909
Horne Street School Improvements	56,717	
Downtown Transit Loop	156,061	
Street Improvements	80,997	
Silver Street Reconstruction	228,148	79,408
Willard Pond Watershed Assistance	68,280	
Bridge Replacement – Whittier Street	62,738	134,388
Various other construction projects	208,349	379,955
Total Governmental Activities	\$ 23,114,155	\$ 4,737,405
Business-Type Activities:		
Water Main - North End Water Pressure	\$ 1,029,573	\$ 264,372
Sewer – WWTP Sludge Dewatering Equipment	946,045	68,580
Sewer – WWTP Buildings	707,029	271,931
Sewer – Inflow & Infiltration	202,985	42,288
Water – Wellhead Protection	242,900	1,885
Water Exploration *CC	218,158	19,250
Sewer – WWTP Outfall Improvements	210,766	
WWTP – River Street Pump Upgrade - ARRA	37,561	165,383
Water Main – Sixth Street	2,596	172,676
Smith Well Replacement		135,000
Water Main – Applevale Area	134,415	
WWTP – Evaluation NPDES Permit	15,454	103,389
Various other sewer construction projects	187,193	147,165
Total Business-Type Activities	\$ 3,934,675	\$ 1,391,919

NOTE 10 – ACCOUNTS PAYABLE

Accounts payable represents fiscal year 2013 invoices paid in the subsequent fiscal year.

NOTE 11 – ACCRUED LIABILITIES

Accrued liabilities in the general fund represent salaries earned but unpaid to City and School employees at year-end.

Notes to Financial Statements

June 30, 2013

NOTE 12 – DEFERRED REVENUE

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

The balance of the General Fund deferred revenues account is equal to the sum of all delinquent taxes at June 30, 2013 less property and unredeemed tax collections for the subsequent 60 days.

NOTE 13 – LONG-TERM DEBT

Long-Term Debt Supporting Governmental Activities

General obligation bonds, issued by the City for various municipal projects are approved by City Council and repaid with property taxes recorded in the General Fund and user fees recorded in Enterprise Funds. Compensated absences are repaid from the funds that the costs relate to, mostly the general fund, and also water, sewer, internal service, and other special revenue funds.

General Obligation Bonds and Loans

The City's general obligation bonds and loans are used to provide funds for the acquisition and construction of major capital facilities. General obligation bonds and loans have been issued for both governmental and business-type activities. The City has not issued any revenue bonds. All bonds and loans outstanding were used in calculating the net position invested in capital assets net of related debt. General obligation bonds and loans currently outstanding are as follows:

Description	Original Issue Amount	Rate	Maturity Date	Balance
Bonds Payable:				
Public improvements 1999	\$ 4,137,500	4.1900%	1/15/15	\$ 220,000
Public improvements 1999	2,179,901	5.5100%	1/15/15	280,000
New Middle School 1999	15,741,027	5.5800%	1/15/20	3,616,875
Public improvements 2002	2,240,600	4.2300%	6/15/22	675,000
Public improvements 2004	9,816,000	4.1148%	6/15/25	575,000
Public improvements 2005	10,740,000	3.8405%	6/15/26	6,055,000
Public improvements 2006	22,348,000	4.2313%	6/15/27	14,940,000
Public improvements 2007	20,646,000	4.5000%	6/15/27	13,860,000
Public improvements 2008	9,970,000	4.0935%	12/15/28	7,610,000
Public improvements 2009	12,799,000	3.4417%	4/1/30	10,445,000
Public improvements refunding 2009	8,790,000	2.1535%	6/30/21	6,095,000
Public improvements refunding 2012	17,530,000	2.3433%	6/15/32	16,985,000
Total Bonds Payable				81,356,875
Other Long-Term Debt				
State revolving loan – Tolend landfill	\$ 1,271,357	3.5625%	9/1/13	84,757
CDFA Energy Improvement	250,000	2.4700%	12/31/20	204,757
State revolving loan – WWTP Aeration	279,157	1.7000%	2/1/22	251,241
State revolving loan – North End Pressure	3,400,000	2.7200%	11/1/32	3,400,000
Total Other Debt Outstanding				3,940,755
Total Long-Term Debt				\$ 85,297,630

Notes to Financial Statements

June 30, 2013

NOTE 13 – LONG-TERM DEBT – CONTINUED

Future Debt Service

The annual principal and interest payments to retire all general obligation long-term debt outstanding as of June 30, 2013 are as follows:

Governmental	Principal	Interest	Total
2014	\$ 6,682,110	\$ 3,032,425	\$ 9,714,536
2015	6,367,693	2,845,071	9,212,763
2016	6,144,418	2,653,558	8,797,976
2017	5,378,613	2,483,746	7,862,359
2018	5,250,819	2,342,193	7,593,012
2019 - 2023	20,139,336	6,708,685	26,848,021
2024 - 2028	11,135,500	1,552,833	12,688,333
2029 - 2033	1,830,000	111,743	1,941,743
	<u>62,928,489</u>	<u>21,730,254</u>	<u>84,658,743</u>
Business-Type			
2014	2,181,723	823,948	3,005,671
2015	2,158,978	727,427	2,886,405
2016	2,117,563	651,343	2,768,906
2017	1,920,524	577,787	2,498,311
2018	1,888,296	514,959	2,403,255
2019 - 2023	6,735,859	1,720,528	8,456,387
2024 - 2028	3,759,098	640,123	4,399,221
2029 - 2033	1,607,100	134,011	1,741,111
	<u>22,369,141</u>	<u>5,790,126</u>	<u>28,159,267</u>
Total Future Debt Service	<u>\$ 85,297,630</u>	<u>\$ 27,520,380</u>	<u>\$ 112,818,010</u>

The City's proprietary fund future debt service is partially funded by the state as described in Note 6. The governmental future debt service relating to school construction is partially funded by the New Hampshire Department of Education School Building Aid, which is annually appropriated by the state.

Bond Authorizations

Long-term debt authorizations which have not been issued or rescinded as of June 30, 2013 are as follows:

Purpose	Amount
Tolend Road Landfill Remediation	\$ 1,100,000
Parking Lot Improvements	266,765
Public Improvements - FY10	200,000
Public Improvements - FY12	3,800,000
Public Improvements - FY13	5,400,000
Public Improvements - FY14	23,235,607
Public Improvements - FY10 Sewer	1,200,000
	<u>\$ 35,202,372</u>

Notes to Financial Statements

June 30, 2013

NOTE 13 – LONG-TERM DEBT – CONTINUED

Maximum Debt Limit

The City is subject to state law which limits debt outstanding to a percentage (depending on how funds will be used) of its last full state valuation. Debt incurred for state required sewerage systems is not subject to the limit. The following is a summary, by purpose, of the outstanding debt of the City at June 30, 2013 and related limitations. These limits are based on the tax year 2012 base valuations for debt limits of \$2,743,418,578 provided by the State Department of Revenue Administration.

Purpose	Percent of State Assessed Value	Maximum Debt Limit	Applicable Bonds Outstanding at June 30, 2013
Municipal	3%	\$ 82,302,557	\$ 33,202,107
School	7%	192,039,300	23,658,574
Water	10%	274,341,858	12,505,800
DBIDA - IP	0%	4,000,000 *	
DBIDA - IB	0%	1,000,000	
DBIDA - Projects	8%	212,878,744	
Not subject to limitation	0%		15,931,149
			<u>\$ 85,297,630</u>

*Debt limit is set by special legislation.

Changes in General Long-Term Liabilities

During the year ended June 30, 2013, the following changes occurred in long-term liabilities (in thousands):

	Total Balance 7/1/12	Additions	Reductions	Total Balance 6/30/13	Less Current Portion	Long-Term Portion 6/30/13
Governmental Activities						
Claims liability	\$ 465	\$ 788	\$ (719)	\$ 534	\$ (348)	\$ 186
Bonds and loans payable	69,800		(6,871)	62,928	(6,682)	56,246
Other:						
Compensated absences	3,206	1,017	(828)	3,394	(150)	3,244
OPEB liability	17,098	3,771	(1,323)	19,548		19,548
Liability for hazardous waste-site cleanup	10,427			10,427		10,427
	<u>\$ 100,996</u>	<u>\$ 5,576</u>	<u>\$ (9,741)</u>	<u>\$ 96,831</u>	<u>\$ (7,180)</u>	<u>\$ 89,651</u>
Business-Type Activities						
Bonds and loans payable	\$ 20,744	\$ 3,679	\$ (2,054)	\$ 22,369	\$ (2,182)	\$ 20,187
Other:						
Compensated absences	150	115	(127)	138	(17)	121
OPEB liability	1,253	291	(79)	1,465		1,465
	<u>\$ 22,148</u>	<u>\$ 4,085</u>	<u>\$ (2,260)</u>	<u>\$ 23,972</u>	<u>\$ (2,199)</u>	<u>\$ 21,773</u>

Notes to Financial Statements

June 30, 2013

NOTE 13 – LONG-TERM DEBT – CONTINUED

The net other post-employment benefit liability is liquidated by the proportional share of the obligation by the General Fund, Water Fund and Sewer Fund.

Contingent Debt Obligation

The City received funding for two Sewer capital projects from the State of New Hampshire through a revolving renovation loan fund for which half of the amount drawn by the City will be covered by a Federal Stimulus Grant. The City will be obligated to repay one-half of the amount drawn over a period of 20 years plus interest at 3.27%. The City made the decision to defer the entire amount of the reimbursements until the loan agreements are finalized. In January 2013 the City finalized the loan agreement with the State of New Hampshire for one of the Sewer projects. This loan payable obligation as of June 30, 2013 is \$251,241 and is reflected as a liability for the Sewer Fund. As of June 30, 2013 the City has received \$2,185,684 of reimbursements related to the second project. This project is expected to be completed during fiscal year 2014, at which time the City will finalize a loan agreement with the State of New Hampshire.

The City received funding for Water capital projects from the State of New Hampshire through a revolving renovation loan fund. The Water project was completed in FY2013. The City, upon completion of the project, signed a final loan payable obligation agreement with the State of New Hampshire. As of June 30, 2013, the loan payable obligation of \$3,400,000 is reflected as a liability for the Water Fund.

Defeased Debt

In June 2010 the City defeased a March 2001 general obligation bond. The proceeds from the new issuance of general obligation bonds were used to purchase U.S. governmental securities, and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the refunded bonds matured in June 2011. As of June 30, 2013, there are no outstanding defeased debt obligations relating to this debt issue.

In May 2012 the City defeased a June 2003 general obligation bond and a June 2004 general obligation bond. The proceeds from the new issuance of general obligation bonds were used to purchase U.S. governmental securities, and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the refunded bonds matured. The June 2003 general obligation bond matured in June 2013. As of June 30, 2013 there is no outstanding defeased debt obligations for the June 2003 general obligation bond. The June 2004 general obligation bond matures in June 2014. As of June 30, 2013 the amount of outstanding defeased debt obligations for the June 2004 general obligation bond is \$4,270,000.

NOTE 14 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

The City owned and operated a 55-acre landfill on Tolend Road from 1960 to 1979. On September 10, 1991, the Environmental Protection Agency issued a Record of Decision (ROD) on the closure of the site, including the City as a Potentially Responsible Party (PRP). The estimated cost of the original ROD for closure and post closure maintenance was \$34,612,296. The City was responsible for 42.68% of the costs. The City negotiated its preliminary share at \$8,166,666 of the first \$20 million. Thirty-two PRPs made final settlement on all costs related to the closure with EPA. Based on this information, the City established an estimated \$11,016,013 liability for its share of the capping and management of mitigation costs. As of June 30, 2013, 100% of the landfill's total capacity has been used.

The City funded and paid its share of the capping design of \$1,257,357. The City also funded the ongoing project costs over the years with \$2,213,142 in transfers from operational funds, \$2,900,000 from bond authorizations and \$1,237,229 from various sources including state aid, insurance proceeds and a payment from the Town of Madbury.

Notes to Financial Statements

June 30, 2013

NOTE 14 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS – CONTINUED

The City entered negotiations with the EPA and the State of New Hampshire Department of Environmental Services to implement an alternative to the closure capping. The new technique involves an air sparging trench along the down gradient edge of the landfill which will treat contaminated ground water. This alternative carries significant savings versus conventional capping. The City received approval for a pilot program to determine the effectiveness of this method. As a result, the City received a four-year deferral of the capping requirement from EPA.

An Amended Record of Decision (AROD) from EPA was issued on September 30, 2004 to change the closure method with an estimated cost of \$19,393,859, including estimates for post closure maintenance. The City's new liability was estimated to be \$8,663,966 for the alternative closure method using the same cost sharing percentage of 42.68%. This new estimate was \$7,625,525 for the construction of the closure remedy and \$1,038,441 for post closure maintenance.

Since FY2005 the \$8,663,966 liability was reduced by the amount of annual expenditures incurred for the air sparge and soil vapor extraction closure remedy. These expenditures have been funded from bond proceeds.

In January 2012 the construction of the source control remedy was completed. This construction consisted of two separate components, the groundwater extraction system and the sewer conveyance system. The groundwater extraction system is designed to intercept contaminated groundwater emanating from beneath the former landfill; the groundwater is then conveyed to the City's wastewater treatment plant for treatment.

Based on the start-up operations of the groundwater extraction and sewer conveyance systems an estimate of anticipated annual operation and maintenance costs was established. The annual operations and maintenance costs are estimated at \$800,000 annually with the City being responsible for 42.68% or \$344,000. Therefore, the City has adjusted the landfill closure liability to reflect an estimate of \$10,320,000 for 30 year estimate of post closure operations of the groundwater extraction and sewer conveyance systems. The City is still evaluating the need to operate the northwest air sparging system for another year, which the City's portion is estimated to cost \$107,000. The City has \$1.1 million of authorized unissued bonding authority to satisfy the anticipated future obligations totaling \$10,427,000.

The total current cost of landfill closure and post-closure care is an estimate subject to changes resulting from inflation, deflation, technology, or changes in applicable laws and regulations.

NOTE 15 – RESTRICTED NET POSITION

The accompanying entity-wide financial statements report restricted net position when external constraints from grantors or contributors are placed on net position.

NOTE 16 – COMMITMENTS AND CONTINGENCIES

Outstanding Lawsuits

There are several pending lawsuits in which the City is involved. The City's management is of the opinion that the potential future settlement of such claims would not materially affect its financial statements taken as a whole.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

Notes to Financial Statements

June 30, 2013

NOTE 16 – COMMITMENTS AND CONTINGENCIES – CONTINUED

County Assessment

City's property tax assessment is approximately 27% of Strafford County's total assessment. Strafford County had a \$995,668 unassigned General Fund Balance surplus on December 31, 2012, the most recent financial statements available.

NOTE 17 – POST-EMPLOYMENT HEALTH CARE

GASB Statement 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions requires governments to account for other post-employment benefits (OPEB), primarily healthcare, on an accrual basis rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially required contribution as an expense on the statement of revenues, expenses, and changes in net position when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefit. To the extent that an entity does not fund their actuarially required contribution, a post-employment benefit liability is recognized on the Statement of Net Position over time.

Plan Description

The City pays toward the cost of health care benefits for certain qualified retirees enrolled at the time of retirement and their eligible dependents (Retiree Group). The City will also pay toward the cost of health care benefits for certain current employees and eligible dependents upon retirement. The City provides post-employment health care benefits for retire employees through the City's single employer benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by NH RSA 100-A:50. The City has contracted with an actuarial consultant to provide the actuarial valuation of the City's OPEB liability under GASB 45. The Plan does not issue a separate audited financial report.

As of June 30, 2013, the actuarial valuation date, approximately 217 retirees and 90 active employees meet the eligibility requirements.

Benefits Provided

The City provides medical, dental, prescription drug, mental health/substance abuse and life insurance to retirees and their covered dependents who meet certain eligibility criteria.

Current retirees have their health care benefit cost paid by the City if they retired while enrolled in the City's Group Health Insurance program and had a minimum of 20 years of continuous creditable service with the City. Current employees are eligible for City cost participation when they retire only if they meet the same enrollment and service criteria and were hired on or before May 30, 2000, depending on the bargaining unit.

Employees who retire from the City under the New Hampshire Retirement System (NHRS) and participated in the City's Group Health Insurance Program at the time of retirement, but who are not eligible for any City retiree health care benefit cost coverage may also join the Retiree Group. Coverage will continue for themselves and their eligible dependents at their own expense in accordance with state statute (NH RSA 100-A:50).

Funding Policy and On-Behalf Payments

Retirees contribute various percentages of the cost of the health plan, as determined by the City. The City contributes the remainder of the health plan costs on a pay-as-you-go basis.

The retiree health care benefit cost to the City is lessened by subsidies received by retirees from the NHRS. Health care benefit costs are reduced significantly upon a retiree or their dependents attaining the age of 65, at which time they become eligible for Medicare and are changed to a Medicare supplement plan.

Notes to Financial Statements

June 30, 2013

NOTE 17 – POST-EMPLOYMENT HEALTH CARE – CONTINUED

During the past 10 fiscal years, the City's cost of health care benefits to retirees, less any subsidies paid by the New Hampshire Retirement System and any withholdings from the retirees, was as follows:

Fiscal Year	Net City Cost
2013	\$ 1,974,504
2012	1,278,503
2011	952,117
2010	699,188
2009	655,613
2008	562,787
2007	499,660
2006	401,268
2005	334,247
2004	276,543

For the fiscal year ended June 30, 2013, \$570,626 was recorded as revenues and expenditures in the General Fund relative to on-behalf payment received from the state.

Annual OPEB Costs and Net OPEB Obligation

The City's fiscal 2013 annual OPEB expense is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost per year and amortize the unfunded actuarial liability over a period of thirty years. The following table shows the components of the City's annual OPEB cost for the year ending June 30, 2013, the amount actually contributed to the plan and the change in the City's net OPEB obligation based on an actuarial valuation as of June 30, 2012.

Annual OPEB Costs and Net OPEB Obligation – Continued

Annual required contribution (ARC)	\$ 4,389,735
Interest on net OPEB obligation	734,121
Adjustment to ARC	(1,061,357)
Annual OPEB cost	4,062,499
Contributions made	(1,401,777)
Increase in net OPEB obligation	2,660,722
Net OPEB obligation - beginning of year	18,353,030
Net OPEB obligation - end of year	<u>\$ 21,013,752</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

Fiscal Year Ended	Cost	Cost Contributed	Obligation
2013	\$ 4,062,499	35%	\$ 21,013,752
2012	3,943,317	33%	18,353,029
2011	3,765,850	36%	15,699,567

The City's net OPEB obligation as of June 30, 2013 is recorded as a liability on the Statement of Net Position.

Notes to Financial Statements

June 30, 2013

NOTE 17 – POST-EMPLOYMENT HEALTH CARE – CONTINUED

Funded Status and Funding Progress

The funded status of the Plan as of June 30, 2013, based on the June 30, 2012 actuarial valuation was as follows:

Actuarial accrued liability (AAL)	\$ 53,119,414
Actuarial value of plan assets	
Unfunded actuarial accrued liability (UAAL)	<u>\$ 53,119,414</u>
Funded ratio (actuarial value of plan assets (AAL))	<u>0%</u>
Covered payroll (active plan members)	<u>\$ 28,800,566</u>
UAAL as a percentage of covered payroll	<u>184%</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amount and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the Plan as understood by the City and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the City and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2012 actuarial valuation the projected unit credit cost method was used. The actuarial value of assets was not determined as the City has not advance funded its obligation. The actuarial assumptions included a inflation rate of 5.0%, 4.0% investment rate of return and an initial annual healthcare cost trend rate of 4.5%. The amortization costs for the initial UAAL is a level percentage of payroll for a period of 30 years, on a closed basis.

NOTE 18 – SELF-INSURANCE

The City is a self-insurer of workers' compensation for all City employees, contracting with an insurance carrier for excess liability coverage. Under the terms of its insurance coverage, the City is liable for \$400,000 per incident. The insurer's limit of liability is \$3,000,000. The City does not carry any aggregate insurance. Funding of the workers' compensation internal service fund is through charges levied to the general, special revenue and enterprise funds.

Notes to Financial Statements

June 30, 2013

NOTE 18 – SELF-INSURANCE – CONTINUED

Claims Liability

The following represents changes in the Workers' Compensation claims liability:

	Year Ended June 30, 2013	Year Ended June 30, 2012
Unpaid claims, beginning of fiscal year	\$ 465,281	\$ 358,004
Claims incurred (including IBNRs)	788,303	744,256
Claims paid	(719,513)	(636,979)
Unpaid claims, end of fiscal year	<u>\$ 534,071</u>	<u>\$ 465,281</u>

The City adopted a policy to maintain 100% funding for an actuarially determined claims liability based on a 65% confidence level. Out of \$534,071 claims liability as of June 30, 2013, approximately \$348,000 is estimated to be due within one year.

NOTE 19 – RISK MANAGEMENT

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There were no significant reductions in insurance coverage from the previous year and have been no material settlements in excess of coverage in any of the past three fiscal years.

NOTE 20 – PENSION PLAN

The City follows the provisions of GASB Statement No. 27, Accounting for Pensions for State and Local Government Employees, with respect to the employees' retirement funds.

Plan Description

The City contributes to the New Hampshire Retirement System (the "System"), a cost-sharing, multiple-employer defined benefit pension plan administered by the state retirement board. The System provides retirement, disability and death benefits to plan members and beneficiaries. Revised Statutes Annotated 100-A41-a of New Hampshire Law assigns the system the authority to establish and amend benefit provisions of the plan and grant cost-of-living increases. The System issues a publicly available financial report which can be obtained through the New Hampshire Retirement System at 54 Regional Drive, Concord, NH 03301-8507.

Notes to Financial Statements

June 30, 2013

NOTE 20 – PENSION PLAN – CONTINUED

Funding Policy and On-Behalf Payments

Plan members are required to contribute to the pension plan based on their annual covered compensation. The rates for member contributions is statutorily defined by Revised Statutes Annotated 100-A:16. The City and State also make annual contributions to the pension plan equal to the amount required. The New Hampshire Retirement System establishes the employers' contributory rates every two years. Effective in FY2012, the State no longer makes contributions on-behalf of teachers, firefighters and police officer members. The employer pays 100% of the total employer normal contribution for teachers, firefighters, police officers and employee members. The following table reflects the contribution rates (percent of compensation) during fiscal year 2013 for the members, the City and the State.

Group	Contribution Rates		
	Members	City	State
I Teachers	7.00%	11.30%	0.00%
I Employees	7.00%	8.80%	0.00%
II Police	11.55%	19.95%	0.00%
II Fire	11.80%	22.89%	0.00%

Contributions to the System were as follows:

Year Ended	The City	Plan Members	Total
2013	\$ 4,531,590	\$ 2,686,809	\$ 7,218,399
2012	4,214,577	2,674,706	6,889,283
2011	3,892,913	2,385,234	6,278,147
2010	3,315,944	2,025,750	5,341,694
2009	2,860,685	2,033,616	4,894,301
2008	2,936,651	2,075,111	5,011,762
2007	2,032,898	2,185,757	4,218,655
2006	2,006,390	2,156,406	4,162,796
2005	1,713,819	1,919,101	3,632,920
2004	1,655,035	1,865,872	3,520,907

For the fiscal year ended June 30, 2013, there was no on-behalf payment received from the state.

NOTE 21 – OPERATING LEASE REVENUE

The City leases office space in the McConnell Center to several organizations. The leases expire at various years through the year 2031. The cost of the assets held for lease as of June 30, 2013 was \$8,085,810, accumulated depreciation was \$1,067,652 and the net book value was \$7,018,158. Approximately 35% of the square footage of the building is being leased to third parties with the remainder of the building being used by the City. Future non-cancelable lease revenue under these leases as of June 30, 2013 is as follows:

Notes to Financial Statements

June 30, 2013

NOTE 21 – OPERATING LEASE REVENUE – CONTINUED

Year Ending	Amount
2014	\$ 242,505
2015	200,137
2016	178,700
2017	175,235
2018	90,328
Thereafter	1,012,791
Total	<u>\$ 1,899,696</u>

NOTE 22 – FUND BALANCE

The following is a schedule of fund balance classifications for the governmental funds as of June 30, 2013:

	General Fund	Nonmajor Governmental Funds
Nonspendable		
Permanent funds		\$ 1,867,381
Inventory	\$ 4,094	37,278
	<u>4,094</u>	<u>1,904,659</u>
Restricted		
Permanent funds income		277,621
Emergency management fund		384,834
Conservation fund		694,804
Capital projects funds		4,161,412
Other grants and donations		951,715
		<u>6,470,386</u>
Committed		
City benefit capital reserve	172,829	
School benefit capital reserve	60,021	
McConnell Center long-term advance	433,176	
Recreation programs funds		381,505
Other special revenue funds		2,555,747
Recreation field construction		736,200
Capital purchases fund		1,507,138
Recreation and school funds		573,964
	<u>666,026</u>	<u>5,754,554</u>
Assigned		
Encumbrances – city	817,622	
Encumbrances – school	454,204	
Carryover appropriations	674,356	
	<u>1,946,182</u>	
Unassigned	8,791,862	(3,271,636)
Total Fund Balances	<u>\$11,408,128</u>	<u>\$ 10,857,963</u>

Notes to Financial Statements

June 30, 2013

NOTE 23 – NET POSITION

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds payable adding back any unspent proceeds. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The City's net position invested in capital assets, net of related debt was calculated as follows at June 30, 2013:

(In thousands)	Governmental Activities	Business-Type Activities
Capital assets	\$ 258,706	\$ 126,895
Accumulated depreciation	(105,754)	(55,755)
Bonds payable, total	(62,929)	(22,369)
Unspent bond proceeds	4,586	3,815
Deferred revenue*		(2,186)
Total invested in capital assets, net of related debt	<u>\$ 94,609</u>	<u>\$ 50,400</u>

* The City received funding for Water and Sewer Fund capital projects from the State of New Hampshire through a revolving renovation loan fund. The reimbursements received by the City have been recorded as deferred revenue and will be converted to a loan payable obligation upon completions of the projects. Refer to Note 13 for additional information.

Schedule of Funding Progress Required Supplementary Information

June 30, 2013

Other Post-Employment Benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
7/1/2013	-	\$ 53,119,414	\$ 53,119,414	0.0%	\$ 28,800,566	184.4%
7/1/2012	-	51,087,625	51,087,625	0.0%	29,071,289	175.7%
7/1/2011	-	42,239,664	42,239,664	0.0%	31,709,755	133.2%
7/1/2010	-	42,171,618	42,171,618	0.0%	29,100,644	144.9%
7/1/2009	-	42,669,587	42,669,587	0.0%	28,725,197	148.5%
7/1/2008	-	40,449,724	40,449,724	0.0%	27,170,669	148.9%
7/1/2007	-	33,584,481	33,584,481	0.0%	N/A	N/A

N/A – Not available at time of publication.

Combining Financial Statements

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are established to account for resources obtained and expended for specified purposes and restricted by law or local action.

Special Revenue Funds are established for the following purposes:

- **Community Development Fund** – To account for grant proceeds received from the U.S. Department of Housing and Urban Development under the Community Development Block Grant (CDBG) program and the related program and subgrant expenditures.
- **CDBG Recovery Fund** – To account for the ARRA grant proceeds related to the CDBG program.
- **Housing and Urban Development** - To account for grant proceeds received from the US Dept. of Housing and Urban Development to develop new or revised land use and planning regulations.
- **Housing Rehabilitation Loan Fund** – To account for loans given to low and moderate income individuals for the purpose of improving their private dwellings.
- **Economic Development Loan Fund** – To account for loans given to small business for the purpose of business establishment or expansion.
- **DOE Energy Efficiency Fund** – To account for grant proceeds from the U.S. Department of Education for energy efficiency projects.
- **Police DOJ Fund** – To account for grant proceeds from the U.S. Department of Justice for various drug and alcohol awareness and prevention programs.
- **Homeland Security Fund** – To account for grant proceeds from the U.S. Department of Homeland Security for equipment purchases.
- **Police DHA Fund** – To account for funds received from the Dover Housing Authority for payment toward funding a Police Officer presence at their housing area.
- **Police DOT Fund** – To account for grant proceeds from the U.S. Department of Transportation for various driving safety programs.
- **DHHS Assistance Programs** – To account for grant proceeds for at-risk youth in the community passed through Department of Health and Public Welfare.
- **Police Tobacco Fund** – To account for grant proceeds for various tobacco awareness and prevention programs.

- **Emergency Management Fund** – To account for grant proceeds from the U.S. Federal Emergency Management Agency for preparation for major disasters.
- **Radiology Emergency Response**– To account for grant proceeds related to emergency preparedness for Seabrook radiology response.
- **DOI Fund** – To account for grant proceeds from the U.S. Department of Interior for various programs.
- **EPA Fund** – To account for grant proceeds from the U.S. Environmental Protection Agency for various programs.
- **School Cafeteria Fund** – To account for cafeteria operations of the Dover School system, including reimbursement from the U.S. Department of Education and receipt of U.S. Department of Agriculture food commodities.
- **School Federal Aid Fund** – To account for grants received from the U.S. Department of Education for various programs supporting School operations.
- **School Special Programs Fund** – To account for Healthy Universal Beginnings program and ancillary education programs supported by the Dover School system and funded mainly by non-federal grants.
- **Dover Main Street Fund** – To account for the expenditures related to the Main Street Program, reimbursed by Dover Main Street, Inc.
- **Planning Improvements Fund** – To account for the funds received pursuant to Planning Board conditions for approval and held for related offsite improvements or other expenditures.
- **Police and Fire Detail** – To account for police and fire outside detail activity.
- **Parking Activity Fund** – To account for revenues of all parking lots, leased parking spaces and metered parking and expenditures of enforcement, lighting and snow removal.
- **Police Special Fund** – To account for forfeiture proceeds and special investigative expenditures.
- **SRT Fund** – To account for special purpose grants awarded to the fire department.
- **Conservation Fund** – To account for the proceeds of current use (land change) penalties and the purchase of land or easements for conservation purposes.
- **Residential Solid Waste Fund** – To account for revenue from the sale of garbage bags and waste tags to local outlets for resale to the public and the expenditures or residential solid waste pickup and disposal.

- **McConnell Center Fund** – To account for the operations and maintenance of the McConnell Center facility and revenues from the leasing of space to 501(c)3 organizations and City and State organizations.
- **Recreation Programs Fund** – To account for the revenue and expenditures of self-supporting recreational programs.
- **Recreation Field Maintenance Fund** – to account for 10% of the proceeds of the sale of the City gravel for use to maintain recreation fields.
- **Library Fines Fund** – To account for revenue assessed on late return of books for use to purchase books, periodicals, etc. for the Public Library.
- **Tuition Programs Fund** – To account for the revenue and expenditures for Dover School supported Dover Adult Learning Center and Summer Sessions.
- **Vocational Center Fund** – To account for revenues and expenditures of minor programs of the Dover High School's Regional Vocational Education Center.
- **School Alternative Education Fund** – To account for the revenues and expenditures of the Alternative Education Center of the Dover High School.
- **School Facilities Fund** – To account for gate receipts used toward the cost of facility maintenance and upgrades.
- **Other Special Revenue Funds** – To account for revenues and expenditures associated with various special revenue funds, formally classified as trusts under the "Pre-GASB 34" reporting model.

Capital Project Funds

- **CIP FY14** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2014 of the Capital Improvements Program.
- **CIP FY13** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2013 of the Capital Improvements Program.
- **CIP FY12** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2012 of the Capital Improvements Program.

- **CIP FY11** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2011 of the Capital Improvements Program.
- **CIP FY10** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2010 of the Capital Improvements Program.
- **CIP FY09** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2009 of the Capital Improvements Program.
- **CIP FY08** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2008 of the Capital Improvements Program.
- **CIP FY07** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2007 of the Capital Improvements Program.
- **CIP FY06** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2006 of the Capital Improvements Program.
- **CIP FY05** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2005 of the Capital Improvements Program.
- **CIP FY04** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2004 of the Capital Improvements Program.
- **CIP FY03** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2003 of the Capital Improvements Program.
- **CIP FY02** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2002 of the Capital Improvements Program.

- **CIP FY01** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2001 of the Capital Improvements Program.
- **CIP FY00** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2000 of the Capital Improvements Program.
- **Tolend Road Landfill Closure** – To account for the revenues from bond and loan proceeds, insurance proceeds, and federal and state grant funding and the related expenditures for the design and construction costs of the closure of a landfill containing hazardous waste.
- **Cocheco River Dredge** – To account for the revenue from bond anticipation note proceeds and revenue from the placement of dredge spoils and the related expenditures for the design, construction and closure costs of a dredge spoils cell for the Cocheco River.
- **Recreation Field Construction** – To account for the revenue from the sale of gravel and the related expenditures for authorized recreation or other qualified projects.
- **Capital Purchases Fund** – To account for revenue transferred from the general fund for the purpose of capital acquisitions.

Non-Major Governmental Funds

Combining Balance Sheet

June 30, 2013

	Special Revenue Funds					DOE Energy Efficiency Fund
	Community Development Fund	CDBG Recovery Fund	Housing and Urban Development	Housing Rehab Loan Fund	Economic Development Loan Fund	
ASSETS						
Cash and short-term investments						
Investments						
Departmental receivable						
Intergovernmental receivables						
Loans receivable				\$ 464,649	\$ 391,565	
Due from other funds		\$ 131,086		71,647	19,019	
Inventory						
Total Assets	\$ -	\$ 131,086	\$ -	\$ 536,296	\$ 410,584	\$ -
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 3,400		\$ 3,750	\$ 84	\$ 153	
Accrued liabilities	2,286					(382)
Retainage payable						
Unearned revenue						
Due to other funds	247,135		19,136			\$ 10,416
Advance from other fund						
Compensated absences						
Total Liabilities	252,821	-	22,886	84	153	10,034
DEFERRED INFLOW OF RESOURCES						
Unavailable revenue - long-term receivables				464,856	391,564	
Fund Balances:						
Nonspendable						
Restricted		\$ 131,086		71,356	18,867	
Committed						
Assigned						
Unassigned	(252,821)		(22,886)			(10,034)
Total Fund Balances (Deficit)	(252,821)	131,086	(22,886)	71,356	18,867	(10,034)
Total Liabilities, Deferred Inflow of Resources and Fund Balances						
	\$ -	\$ 131,086	-	\$ 536,296	\$ 410,584	\$ -

Special Revenue Funds

Police DOJ Fund	Homeland Security Fund	Police DHA Fund	Police DOT Fund	DHHS Assistance Programs	Police Tobacco Fund	Emergency Management Fund	Radiology Emergency Response
						\$ 108,774	
\$ 108,131	\$ 70,391				\$ 2,716	276,060	\$ 36,878
<u>\$ 108,131</u>	<u>\$ 70,391</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,716</u>	<u>\$ 384,834</u>	<u>\$ 36,878</u>
\$ 394 13,289	\$ 110,800	\$ 1,428 1,534	\$ 232 457	\$ 704 2,361		(89)	
		23,829	25,814	68,849			
<u>13,683</u>	<u>110,800</u>	<u>26,791</u>	<u>26,503</u>	<u>71,914</u>	<u>-</u>	<u>(89)</u>	<u>-</u>
94,448					\$ 2,716	\$ 384,923	\$ 36,878
<u>94,448</u>	<u>(40,409)</u>	<u>(26,791)</u>	<u>(26,503)</u>	<u>(71,914)</u>	<u>2,716</u>	<u>384,923</u>	<u>36,878</u>
<u>\$ 108,131</u>	<u>\$ 70,391</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,716</u>	<u>\$ 384,834</u>	<u>\$ 36,878</u>

Special Revenue Funds

	DOI Fund	EPA Fund	School Cafeteria Fund	School Federal Aid Fund	School Special Programs Fund
ASSETS					
Cash and short-term investments			\$ 15		
Investments					
Departmental receivable			179,888		
Intergovernmental receivables			119,862	\$ 455,634	
Loans receivable					
Due from other funds	\$ 8,526		71,202		\$ 26,047
Inventory			6,538		
	<u>8,526</u>	<u>-</u>	<u>377,505</u>	<u>455,634</u>	<u>26,047</u>
Total Assets	\$ <u>8,526</u>	\$ <u>-</u>	\$ <u>377,505</u>	\$ <u>455,634</u>	\$ <u>26,047</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable		\$ 11,633	\$ 152	\$ 8,264	
Accrued liabilities			368	163,106	\$ 17,158
Retainage payable					
Unearned revenue			32,421		
Due to other funds		100,634		281,122	
Advance from other fund					
Compensated absences					
Total Liabilities	<u>-</u>	<u>112,267</u>	<u>32,941</u>	<u>452,492</u>	<u>17,158</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue - long-term receivables					4,180
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,180</u>
Fund Balances:					
Nonspendable			6,538		
Restricted	\$ 8,526		338,026	3,142	4,709
Committed					
Assigned					
Unassigned		(112,267)			
Total Fund Balances (Deficit)	<u>8,526</u>	<u>(112,267)</u>	<u>344,564</u>	<u>3,142</u>	<u>4,709</u>
Total Liabilities and Fund Balances	\$ <u>8,526</u>	\$ <u>-</u>	\$ <u>377,505</u>	\$ <u>455,634</u>	\$ <u>26,047</u>

Special Revenue Funds

Dover Main Street Fund	Planning Improvements Fund	Police and Fire Detail	Parking Activity Fund	Police Special Fund	SRT Fund	Conservation Fund	Residential Solid Waste Fund
			\$ 108,797				
\$ 4,306	\$ 9,143	\$ 52,091	4,797			\$ 86,079	\$ 42,908
	203,050			\$ 39,476	\$ 98,912	608,725	814,983
							30,740
\$ 4,306	\$ 212,193	\$ 52,091	\$ 113,594	\$ 39,476	\$ 98,912	\$ 694,804	\$ 888,631
\$ 431		\$ 1,647	\$ 1,556 3,713			\$ 585	\$ 51,174 2,028
9,233		86,915	96,526				540,306
9,664	-	88,562	101,795	-	-	585	593,508
						135,691	
	\$ 212,193		11,799	\$ 39,476	\$ 98,912	558,528	30,740
							264,383
(5,358)		(36,471)					
(5,358)	212,193	(36,471)	11,799	39,476	98,912	558,528	295,123
\$ 4,306	\$ 212,193	\$ 52,091	\$ 113,594	\$ 39,476	\$ 98,912	\$ 694,804	\$ 888,631

	Special Revenue Funds					
	McConnell Center Fund	Recreation Programs Fund	Recreation Field Maintenance Fund	Library Fines Fund	Tuition Programs Fund	Vocational Center Fund
ASSETS						
Cash and short-term investments						
Investments						
Departmental receivable	\$ 61,285	\$ 520			\$ 393	
Intergovernmental receivables						
Loans receivable						
Due from other funds		393,892		\$ 33,186		\$ 906
Inventory						
Total Assets	\$ 61,285	\$ 394,412	\$ -	\$ 33,186	\$ 393	\$ 906
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 22,913	\$ 3,923	\$ 9,407	\$ 5,619		
Accrued liabilities	1,633	8,984			\$ 2,705	
Retainage payable						
Unearned revenue						
Due to other funds			28,932		3,917	
Advance from other fund	433,176					
Compensated absences						
Total Liabilities	457,722	12,907	38,339	5,619	6,622	-
DEFERRED INFLOW OF RESOURCES						
Unavailable revenue - long-term receivables						
Fund Balances:						
Nonspendable						
Restricted				27,567		
Committed		381,505				\$ 906
Assigned						
Unassigned	(396,437)		(38,339)		(6,229)	
Total Fund Balances (Deficit)	(396,437)	381,505	(38,339)	27,567	(6,229)	906
Total Liabilities and Fund Balances	\$ 61,285	\$ 394,412	\$ -	\$ 33,186	\$ 393	\$ 906

Special Revenue Funds				Capital Projects Funds					
School Alternative Education Fund	School Facilities Fund	Other Special Revenue Funds	Subtotals	CIP FY 14	CIP FY 13	CIP FY 12	CIP FY 11	CIP FY10	CIP FY09
		\$ 2,130,050	\$ 2,238,862						
		3,282,796	3,282,796						
\$ 9,637	\$ (336)	655,091	1,105,802						
			684,270						
			856,214						
431,332	293,555		3,739,720		\$ 844,111		\$ 779,315	\$ 117,160	\$ 1,243,206
			37,278						
<u>\$ 440,969</u>	<u>\$ 293,219</u>	<u>\$ 6,067,937</u>	<u>\$ 11,944,942</u>	<u>\$ -</u>	<u>\$ 844,111</u>	<u>\$ -</u>	<u>\$ 779,315</u>	<u>\$ 117,160</u>	<u>\$ 1,243,206</u>
\$ 558	\$ 1,849	\$ 7,919	\$ 246,497		\$ 641,174	\$ 18,625	\$ 13,498	\$ 131,318	
72,056	1,715		295,000						
					79,054	32,441	46,548	9,131	\$ 5,446
			32,421						
361,134		1,359,269	3,263,167	\$ 1,363		209,938			
			433,176						
<u>433,748</u>	<u>3,564</u>	<u>1,367,188</u>	<u>4,270,261</u>	<u>1,363</u>	<u>720,228</u>	<u>261,004</u>	<u>60,046</u>	<u>140,449</u>	<u>5,446</u>
			996,291						
		1,867,381	1,904,659						
		277,621	2,308,974		123,883		719,269		1,237,760
7,221	289,655	2,555,747	3,511,216						
			(1,046,459)	(1,363)		(261,004)		(23,289)	
<u>7,221</u>	<u>289,655</u>	<u>4,700,749</u>	<u>6,678,390</u>	<u>(1,363)</u>	<u>123,883</u>	<u>(261,004)</u>	<u>719,269</u>	<u>(23,289)</u>	<u>1,237,760</u>
<u>\$ 440,969</u>	<u>\$ 293,219</u>	<u>\$ 6,067,937</u>	<u>\$ 11,944,942</u>	<u>\$ -</u>	<u>\$ 844,111</u>	<u>\$ -</u>	<u>\$ 779,315</u>	<u>\$ 117,160</u>	<u>\$ 1,243,206</u>

Capital Projects Funds

	CIP FY08	CIP FY07	CIP FY06	CIP FY05	CIP FY04	CIP FY03
ASSETS						
Cash and short-term investments						
Investments						
Departmental receivable						
Intergovernmental receivables						
Loans receivable						
Due from other funds	\$ 1,692,080					
Inventory						
Total Assets	<u>\$ 1,692,080</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 501					
Accrued liabilities						
Retainage payable						\$ 300
Unearned revenue						
Due to other funds		\$ 469,542	\$ 22,356	\$ 420,870	\$ 117,791	31,291
Advance from other fund						
Compensated absences						
Total Liabilities	<u>501</u>	<u>469,542</u>	<u>22,356.00</u>	<u>420,870</u>	<u>117,791</u>	<u>31,591</u>
DEFERRED INFLOW OF RESOURCES						
Unavailable revenue - long-term receivables						
Fund Balances:						
Nonspendable						
Restricted	1,691,579					
Committed						
Assigned						
Unassigned		(469,542)	(22,356)	(420,870)	(117,791)	(31,591)
Total Fund Balances (Deficit)	<u>1,691,579</u>	<u>(469,542)</u>	<u>(22,356)</u>	<u>(420,870)</u>	<u>(117,791)</u>	<u>(31,591)</u>
Total Liabilities and Fund Balances	<u>\$ 1,692,080</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Capital Projects Funds							Capital Projects Funds	
CIP FY02	CIP FY01	CIP FY00	Tolend Rd Landfill Closure	Cocheco River Dredge	Recreation Field Construction	Capital Purchases Fund	Subtotals	Total
						\$ 1,381,638	\$ 1,381,638	\$ 3,620,500
								3,282,796
								1,105,802
								684,270
								856,214
	\$ 98,177			\$ 290,744	\$ 736,200	125,500	5,926,493	9,666,213
								37,278
\$ -	\$ 98,177	\$ -	\$ -	\$ 290,744	\$ 736,200	\$ 1,507,138	\$ 7,308,131	\$ 19,253,073
			\$ 6,100				\$ 811,216	\$ 1,057,713
								295,000
							172,920	172,920
								32,421
\$ 17,012		\$ 61,162	793,097				2,144,422	5,407,589
								433,176
17,012	-	61,162	799,197	-	-	-	3,128,558	7,398,819
								996,291
	\$ 98,177			\$ 290,744				1,904,659
					\$ 736,200	\$ 1,507,138	4,161,412	6,470,386
							2,243,338	5,754,554
(17,012)		(61,162)	(799,197)				(2,225,177)	(3,271,636)
(17,012)	98,177	(61,162)	(799,197)	290,744	736,200	1,507,138	4,179,573	10,857,963
\$ -	\$ 98,177	\$ -	\$ -	\$ 290,744	\$ 736,200	\$ 1,507,138	\$ 7,308,131	\$ 19,253,073

Non-Major Governmental Funds

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

For Fiscal Year Ended June 30, 2013

	Special Revenue Funds					
	Community Development Fund	CDBG Recovery Fund	Housing and Urban Development	Housing Rehab Loan Fund	Economic Development Loan Fund	DOE Energy Efficiency Fund
Revenues:						
Taxes						
Licenses and permits						
Intergovernmental	\$ 477,397	\$ 24,595	\$ 12,500			\$ 134,100
Current services				\$ 1,603	\$ 43,171	
Miscellaneous	1,835					
Total Revenues	<u>479,232</u>	<u>24,595</u>	<u>12,500</u>	<u>1,603</u>	<u>43,171</u>	<u>134,100</u>
Expenditures:						
Current:						
General government		3,257				
Public safety						
Public works						13,669
Culture and recreation						
Education						
Public welfare	471,095		40,386	6,072	50,635	
Debt service						
Total Expenditures	<u>471,095</u>	<u>3,257</u>	<u>40,386</u>	<u>6,072</u>	<u>50,635</u>	<u>13,669</u>
Excess (deficiency) of revenues over expenditures	8,137	21,338	(27,886)	(4,469)	(7,464)	120,431
Other Financing Sources:						
Bond premium						
Transfers in (out)			5,000			
Net change in fund balances	8,137	21,338	(22,886)	(4,469)	(7,464)	120,431
Fund Balances, Beginning (Deficit)	<u>(260,958)</u>	<u>109,748</u>		<u>75,825</u>	<u>26,331</u>	<u>(130,465)</u>
Fund Balances, Ending (Deficit)	<u>\$ (252,821)</u>	<u>\$ 131,086</u>	<u>\$ (22,886)</u>	<u>\$ 71,356</u>	<u>\$ 18,867</u>	<u>\$ (10,034)</u>

Special Revenue Funds

Police DOJ Fund	Homeland Security Fund	Police DHA Fund	Police DOT Fund	DHHS Assistance Programs	Police Tobacco Fund	Emergency Management Fund
\$ 201,825	\$ 255,615	\$ 82,691	\$ 33,355	\$ 123,715		\$ 149,772
<u>201,825</u>	<u>255,615</u>	<u>82,691</u>	<u>33,355</u>	<u>123,715</u>	<u>-</u>	<u>149,772</u>
286,276	203,177	107,205	46,997	157,669	\$ 4,071	164,151
<u>286,276</u>	<u>203,177</u>	<u>107,205</u>	<u>46,997</u>	<u>157,669</u>	<u>4,071</u>	<u>164,151</u>
(84,451)	52,438	(24,514)	(13,642)	(33,954)	(4,071)	(14,379)
<u>102,128</u>				<u>14,604</u>		
17,677	52,438	(24,514)	(13,642)	(19,350)	(4,071)	(14,379)
<u>76,771</u>	<u>(92,847)</u>	<u>(2,277)</u>	<u>(12,861)</u>	<u>(52,564)</u>	<u>6,787</u>	<u>399,302</u>
<u>\$ 94,448</u>	<u>\$ (40,409)</u>	<u>\$ (26,791)</u>	<u>\$ (26,503)</u>	<u>\$ (71,914)</u>	<u>\$ 2,716</u>	<u>\$ 384,923</u>

Special Revenue Funds					
	Radiology Emergency Response	DOI Fund	EPA Fund	School Cafeteria Fund	School Federal Aid Fund
Revenues:					
Taxes					
Licenses and permits					
Intergovernmental			\$ 1,010	\$ 654,508	\$ 3,028,902
Current services				807,423	
Miscellaneous					
Total Revenues	<u>-</u>	<u>-</u>	<u>1,010</u>	<u>1,461,931</u>	<u>3,028,902</u>
Expenditures:					
Current:					
General government			195,605		
Public safety					
Public works					
Culture and recreation					
Education				1,415,239	3,028,961
Public Welfare					
Debt service					
Total Expenditures	<u>-</u>	<u>-</u>	<u>195,605</u>	<u>1,415,239</u>	<u>3,028,961</u>
Excess (deficiency) of revenues over expenditures			(194,595)	46,692	(59)
Other Financing Sources:					
Bond premium					
Transfers in (out)			177,090		
Net change in fund balances			(17,505)	46,692	(59)
Fund Balances, Beginning (Deficit)	\$ 36,878	\$ 8,526	(94,762)	297,872	3,201
Fund Balances, Ending (Deficit)	<u>\$ 36,878</u>	<u>\$ 8,526</u>	<u>\$ (112,267)</u>	<u>\$ 344,564</u>	<u>\$ 3,142</u>

Special Revenue Funds

Special Programs Fund	Dover Main Street Fund	Planning Improvements Fund	Police and Fire Detail	Parking Activity Fund	Police Special Fund	SRT Fund
\$ 61,468					\$ 4,675	
	\$ 14,640	\$ (9,143)	\$ 307,254	\$ 583,689		
				348	1,815	\$ 35,583
<u>61,468</u>	<u>14,640</u>	<u>(9,143)</u>	<u>307,254</u>	<u>584,037</u>	<u>6,490</u>	<u>35,583</u>
	16,795		262,090	385,532	14,317	9,315
61,285						
				77,110		
<u>61,285</u>	<u>16,795</u>	<u>-</u>	<u>262,090</u>	<u>462,642</u>	<u>14,317</u>	<u>9,315</u>
183	(2,155)	(9,143)	45,164	121,395	(7,827)	26,268
			(63,000)	(248,551)		
183	(2,155)	(9,143)	(17,836)	(127,156)	(7,827)	26,268
<u>4,526</u>	<u>(3,203)</u>	<u>221,336</u>	<u>(18,635)</u>	<u>138,955</u>	<u>47,303</u>	<u>72,644</u>
\$ <u>4,709</u>	\$ <u>(5,358)</u>	\$ <u>212,193</u>	\$ <u>(36,471)</u>	\$ <u>11,799</u>	\$ <u>39,476</u>	\$ <u>98,912</u>

Special Revenue Funds					
	Conservation Fund	Residential Solid Waste Fund	McConnell Center Fund	Recreation Programs Fund	Recreation Field Maintenance Fund
Revenues:					
Taxes	\$ 267,590				
Licenses and permits					
Intergovernmental	281				
Current services		\$ 883,250	\$ 628,242	\$ 329,593	\$ 13,548
Miscellaneous	399	969		38,169	
Total Revenues	<u>268,270</u>	<u>884,219</u>	<u>628,242</u>	<u>367,762</u>	<u>13,548</u>
Expenditures:					
Current:					
General government	658				
Public safety					
Public works		819,614			
Culture and recreation			340,509	339,504	78,608
Education					
Public welfare					
Debt service			407,594		
Total Expenditures	<u>658</u>	<u>819,614</u>	<u>748,103</u>	<u>339,504</u>	<u>78,608</u>
Excess (deficiency) of revenues over expenditures	267,612	64,605	(119,861)	28,258	(65,060)
Other Financing Sources:					
Bond premium					
Transfers in (out)	<u>(75,000)</u>		<u>221,121</u>	<u>15,500</u>	
Net change in fund balances	192,612	64,605	101,260	43,758	(65,060)
Fund Balances, Beginning (Deficit)	<u>365,916</u>	<u>230,518</u>	<u>(497,697)</u>	<u>337,747</u>	<u>26,721</u>
Fund Balances, Ending (Deficit)	<u>\$ 558,528</u>	<u>\$ 295,123</u>	<u>\$ (396,437)</u>	<u>\$ 381,505</u>	<u>\$ (38,339)</u>

Special Revenue Funds

Library Fines Fund	Tuition Programs Fund	Vocational Center Fund	School Alternative Education Fund	School Facilities Fund	Other Special Revenue Funds	Subtotals
					\$ 460,373	\$ 267,590
						465,048
						5,241,734
\$ 36,808	\$ 133,395		\$ 316,207	\$ 149,881		4,239,561
				2,861	549,323	631,302
<u>36,808</u>	<u>133,395</u>	<u>-</u>	<u>316,207</u>	<u>152,742</u>	<u>1,009,696</u>	<u>10,845,235</u>
					3	216,318
					89,698	1,730,498
					51,356	884,639
34,453					11,830	804,904
	133,397	\$	731,546	104,489	75	5,474,992
						568,188
						484,704
<u>34,453</u>	<u>133,397</u>	<u>-</u>	<u>731,546</u>	<u>104,489</u>	<u>152,962</u>	<u>10,164,243</u>
2,355	(2)		(415,339)	48,253	856,734	680,992
			402,000		(634,008)	(83,116)
2,355	(2)		(13,339)	48,253	222,726	597,876
<u>25,212</u>	<u>(6,227)</u>	<u>906</u>	<u>20,560</u>	<u>241,402</u>	<u>4,478,023</u>	<u>6,080,514</u>
\$ <u>27,567</u>	\$ <u>(6,229)</u>	\$ <u>906</u>	\$ <u>7,221</u>	\$ <u>289,655</u>	\$ <u>4,700,749</u>	\$ <u>6,678,390</u>

Capital Projects Funds

	CIP FY 14	CIP FY 13	CIP FY 12	CIP FY 11	CIP FY10	CIP FY09
Revenues:						
Taxes						
Licenses and permits						
Intergovernmental						
Current services						
Miscellaneous						
Total Revenues	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Expenditures:						
Current:						
General government						\$ 2,002
Public safety	\$ 53	\$ 159,030	\$ 127,498	\$ 2,138	\$ 867	28,710
Public works	1,310	1,161,908	811,482	890,447	260,885	93,564
Culture and recreation					7,052	
Education				159,773		2,000
Public welfare						
Debt service						
Total Expenditures	<u>1,363</u>	<u>1,320,938</u>	<u>938,980</u>	<u>1,052,358</u>	<u>268,804</u>	<u>126,276</u>
Excess (deficiency) of revenues over expenditures	(1,363)	(1,320,938)	(938,980)	(1,052,358)	(268,804)	(126,276)
Other Financing Sources:						
Bond premium		697,521				
Transfers in (out)						125,000
Net change in fund balances	(1,363)	(623,417)	(938,980)	(1,052,358)	(268,804)	(1,276)
Fund Balances, Beginning (Deficit)		747,300	677,976	1,771,627	245,515	1,239,036
Fund Balances, Ending (Deficit)	<u>\$ (1,363)</u>	<u>\$ 123,883</u>	<u>\$ (261,004)</u>	<u>\$ 719,269</u>	<u>\$ (23,289)</u>	<u>\$ 1,237,760</u>

Capital Projects Funds

CIP FY08	CIP FY07	CIP FY06	CIP FY05	CIP FY04	CIP FY03	CIP FY02	CIP FY01	CIP FY00
	\$ 376,801				\$ 12,777			
<u>-</u>	<u>376,801</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,777</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ 2,724 42,227 29,612	59,580	\$ 20,983		\$ 8,779	\$ 17,961	\$ 14,099		
<u>74,563</u>	<u>59,580</u>	<u>20,983</u>	<u>-</u>	<u>8,779</u>	<u>17,961</u>	<u>14,099</u>	<u>-</u>	<u>-</u>
(74,563)	317,221	(20,983)		(8,779)	(5,184)	(14,099)		
<u>(74,563)</u>	<u>317,221</u>	<u>(20,983)</u>		<u>(8,779)</u>	<u>(5,184)</u>	<u>(14,099)</u>		
<u>1,766,142</u>	<u>(786,763)</u>	<u>(1,373)</u>	\$ <u>(420,870)</u>	<u>(109,012)</u>	<u>(26,407)</u>	<u>(2,913)</u>	\$ <u>98,177</u>	\$ <u>(61,162)</u>
\$ <u>1,691,579</u>	\$ <u>(469,542)</u>	\$ <u>(22,356)</u>	\$ <u>(420,870)</u>	\$ <u>(117,791)</u>	\$ <u>(31,591)</u>	\$ <u>(17,012)</u>	\$ <u>98,177</u>	\$ <u>(61,162)</u>

Capital Projects Funds

	Tolend Rd Landfill Closure	Cocheco River Dredge	Recreation Field Construction	Capital Purchases Fund	Subtotals	Total
Revenues:						
Taxes						\$ 267,590
Licenses and permits						465,048
Intergovernmental					\$ 389,578	5,631,312
Current services						4,239,561
Miscellaneous			\$ 121,936	\$ 230	122,166	753,468
Total Revenues	<u>-</u>	<u>-</u>	<u>121,936</u>	<u>230</u>	<u>511,744</u>	<u>11,356,979</u>
Expenditures:						
Current:						
General government					2,002	218,320
Public safety					321,020	2,051,518
Public works	\$ 539,335	\$ 7,817	114,527		4,044,904	4,929,543
Culture and recreation			16,825		23,877	828,781
Education					191,385	5,666,377
Public welfare						568,188
Debt service						484,704
Total Expenditures	<u>539,335</u>	<u>7,817</u>	<u>131,352</u>	<u>-</u>	<u>4,583,188</u>	<u>14,747,431</u>
Excess (deficiency) of revenues over expenditures	(539,335)	(7,817)	(9,416)	230	(4,071,444)	(3,390,452)
Other Financing Sources:						
Bond premium					697,521	697,521
Transfers in (out)				813,000	938,000	854,884
Net change in fund balances	(539,335)	(7,817)	(9,416)	813,230	(2,435,923)	(1,838,047)
Fund Balances, Beginning (Deficit)	<u>(259,862)</u>	<u>298,561</u>	<u>745,616</u>	<u>693,908</u>	<u>6,615,496</u>	<u>12,696,010</u>
Fund Balances, Ending (Deficit)	<u>\$ (799,197)</u>	<u>\$ 290,744</u>	<u>\$ 736,200</u>	<u>\$ 1,507,138</u>	<u>\$ 4,179,573</u>	<u>\$ 10,857,963</u>

Detail and Combining Budget and Actual Schedules

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General Fund

The general fund is established to account for all resources obtained and used for those services commonly provided by the City which are not accounted for in any other fund. These services include, among other items: General government, public safety, public works, culture and recreation, education, public welfare, inter-governmental and debt service. The primary sources of revenue of the general fund are property taxes, unrestricted state revenue sharing grants, certain restricted grants, and fees for services rendered.

(continued)

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Current Services				
Sales and service charges	\$ 1,208,756	\$ 1,208,756	\$ 1,059,477	\$ (149,279)
Copy sales	300	300	133	(167)
Vending machine sales	5,000	5,000	4,545	(455)
Commissions	5,050	5,050	6,280	1,230
Ambulance services	920,000	920,000	750,222	(169,778)
Interment charges	49,800	49,800	37,070	(12,730)
Headstone foundations	1,000	1,000	5,118	4,118
Pro shop	15,000	15,000	15,190	190
Recreation charges	327,775	327,775	338,582	10,807
Non-resident charges	58,870	58,870	53,686	(5,184)
Food sales	48,000	48,000	39,717	(8,283)
Vending sales	12,000	12,000	8,764	(3,236)
Athletic transportation	40,000	40,000	58,532	18,532
Department overhead allocations	375,100	375,100	375,100	
Miscellaneous service charges	30,335	30,335	34,207	3,872
Total Current Services	<u>3,096,986</u>	<u>3,096,986</u>	<u>2,786,623</u>	<u>(310,363)</u>
Education				
Tuition	4,293,124	4,293,124	3,857,977	(435,147)
Federal grant reimbursement	252,500	252,500	251,197	(1,303)
State intergovernmental	7,117,769	7,117,769	7,099,174	(18,595)
Miscellaneous revenue	90,000	90,000	128,112	38,112
Total Education Income	<u>11,753,393</u>	<u>11,753,393</u>	<u>11,336,460</u>	<u>(416,933)</u>
Miscellaneous				
Miscellaneous revenue	19,500	19,500	68,092	48,592
District court receipts	25,000	25,000	8,499	(16,501)
Miscellaneous fines and forfeits	11,400	11,400	8,551	(2,849)
Fundraising	20,000	20,000	3,695	(16,305)
Sale of city property	52,375	52,375	38,931	(13,444)
Investment income	100,000	12,000	(23,417)	(35,417)
Facilities rental	210,162	210,162	219,929	9,767
Interest on arrears			1,123	1,123
Equipment rental	2,000	2,000	2,370	370
Total Miscellaneous	<u>440,437</u>	<u>352,437</u>	<u>327,773</u>	<u>(24,664)</u>
Other Financing Sources				
Transfers in	869,308	874,129	874,991	862
Other financing sources	190,000	190,000	161,563	(28,437)
Total Other Financing Sources	<u>1,059,308</u>	<u>1,064,129</u>	<u>1,036,554</u>	<u>(27,575)</u>
Total Revenues and Other Financing Sources	<u>\$ 88,718,806</u>	<u>\$ 88,784,160</u>	<u>\$ 88,876,317</u>	<u>\$ 92,157</u>

Detail Schedule of Expenditures and Other Financing Uses

Budget and Actual - General Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government				
City Council	\$ 461,065	\$ 461,065	\$ 458,391	\$ 2,674
Executive	778,979	787,887	748,284	39,603
Finance	1,587,765	1,547,765	1,517,596	30,169
Planning	463,527	463,527	456,211	7,316
Miscellaneous	823,908	841,408	900,752	(59,344)
Total General Government	<u>4,115,244</u>	<u>4,101,652</u>	<u>4,081,234</u>	<u>20,418</u>
Public Safety				
Police	6,918,903	6,918,903	6,642,452	276,451
Fire and rescue	6,839,516	6,839,516	6,572,233	267,283
Total Public Safety	<u>13,758,419</u>	<u>13,758,419</u>	<u>13,214,685</u>	<u>543,734</u>
Public Works				
Community Services - Public Works	5,397,091	5,397,091	4,297,848	1,099,243
Total Public Works	<u>5,397,091</u>	<u>5,397,091</u>	<u>4,297,848</u>	<u>1,099,243</u>
Culture and Recreation				
Recreation	2,002,240	2,002,240	1,925,795	76,445
Public Library	1,056,273	1,056,273	954,304	101,969
Total Culture and Recreation	<u>3,058,513</u>	<u>3,058,513</u>	<u>2,880,099</u>	<u>178,414</u>
Public welfare				
Public welfare	829,853	869,853	865,122	4,731
Total Public Welfare	<u>829,853</u>	<u>869,853</u>	<u>865,122</u>	<u>4,731</u>
Education				
School Department	42,264,590	42,264,590	41,528,013	736,577
Total Education	<u>42,264,590</u>	<u>42,264,590</u>	<u>41,528,013</u>	<u>736,577</u>
Debt Service				
Principal	6,557,165	6,557,165	6,563,165	(6,000)
Interest	3,132,866	3,132,866	3,062,534	70,332
Total Debt Service	<u>9,690,031</u>	<u>9,690,031</u>	<u>9,625,699</u>	<u>64,332</u>
Intergovernmental				
County tax	7,482,308	7,521,254	7,521,254	-
Total Intergovernmental	<u>7,482,308</u>	<u>7,521,254</u>	<u>7,521,254</u>	<u>-</u>
Transfers				
Transfer out	2,122,757	2,122,757	2,122,757	-
Total Transfers	<u>2,122,757</u>	<u>2,122,757</u>	<u>2,122,757</u>	<u>-</u>
Other Financing Uses				
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 88,718,806</u>	<u>\$ 88,784,160</u>	<u>\$ 86,136,711</u>	<u>\$ 2,647,449</u>
Excess of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,739,606</u>	<u>\$ 2,739,606</u>

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Combining Schedule of Revenues and Expenditures Budget and Actual

Annually Budgeted Non-Major Governmental Funds

For the Year Ended June 30, 2013

	Parking Activity		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Charges for services	\$ 614,320	\$ 584,037	\$ (30,283)
Intergovernmental			
Miscellaneous			
Other financing sources	<u>125,060</u>	<u></u>	<u>(125,060)</u>
Total Revenues	<u>739,380</u>	<u>584,037</u>	<u>(155,343)</u>
Expenditures:			
Public safety	388,851	372,007	16,844
Education			
Public works			
Culture and recreation			
Debt service	76,927	77,110	(183)
Other financing uses	<u>273,602</u>	<u>248,551</u>	<u>25,051</u>
Total Expenditures	<u>739,380</u>	<u>697,668</u>	<u>41,712</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ (113,631)</u>	<u>\$ (113,631)</u>

Residential Solid Waste			Library Fines		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ 950,663	\$ 883,250	\$ (67,413)	\$ 33,240	\$ 37,708	\$ 4,468
	969	969			
			33,600		(33,600)
<u>950,663</u>	<u>884,219</u>	<u>(66,444)</u>	<u>66,840</u>	<u>37,708</u>	<u>(29,132)</u>
950,663	819,614	131,049	66,840	35,353	31,487
<u>950,663</u>	<u>819,614</u>	<u>131,049</u>	<u>66,840</u>	<u>35,353</u>	<u>31,487</u>
\$ <u>-</u>	\$ <u>64,605</u>	\$ <u>64,605</u>	\$ <u>-</u>	\$ <u>2,355</u>	\$ <u>2,355</u>

Combining Schedule of Revenues and Expenditures Budget and Actual

Annually Budgeted Non-Major Governmental Funds

For the Year Ended June 30, 2013

	Tuition Programs		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Charges for services	\$ 141,500	\$ 133,395	\$ (8,105)
Intergovernmental			
Miscellaneous revenue			
Other financing sources			
Total Revenues	<u>141,500</u>	<u>133,395</u>	<u>(8,105)</u>
Expenditures:			
Public safety			
Education	141,500	133,397	8,103
Public works			
Culture and recreation			
Debt service			
Total Expenditures	<u>141,500</u>	<u>133,397</u>	<u>8,103</u>
Revenues and other financing sources over (under) expenditures	\$ <u>-</u>	\$ <u>(2)</u>	\$ <u>(2)</u>

School Alternative Education			School Facilities		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ 466,063	\$ 316,207	\$ (149,856)	\$ 137,075	\$ 149,881	\$ 12,806
				2,861	2,861
<u>402,000</u>	<u>402,000</u>				
<u>868,063</u>	<u>718,207</u>	<u>(149,856)</u>	<u>137,075</u>	<u>152,742</u>	<u>15,667</u>
868,063	732,551	135,512	137,075	108,662	28,413
<u>868,063</u>	<u>732,551</u>	<u>135,512</u>	<u>137,075</u>	<u>108,662</u>	<u>28,413</u>
\$ <u>-</u>	\$ <u>(14,344)</u>	\$ <u>(14,344)</u>	\$ <u>-</u>	\$ <u>44,080</u>	\$ <u>44,080</u>

Combining Schedule of Revenues and Expenditures Budget and Actual

Annually Budgeted Non-Major Governmental Funds

For the Year Ended June 30, 2013

	McConnell Center		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Charges for services	\$ 603,726	\$ 628,242	\$ 24,516
Intergovernmental			
Miscellaneous			
Other financing sources	221,479	221,479	
Total Revenues	<u>825,205</u>	<u>849,721</u>	<u>24,516</u>
Expenditures:			
Public safety			
Education			
Public works			
Culture and recreation	417,611	401,089	16,522
Debt service	407,594	407,594	
Total Expenditures	<u>825,205</u>	<u>808,683</u>	<u>16,522</u>
Revenues and other financing source over (under) expenditures	\$ <u>-</u>	\$ <u>41,038</u>	\$ <u>41,038</u>

Police DHA Fund			School Cafeteria		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ 110,255	\$ 82,691	\$ (27,564)	\$ 974,000 424,164	\$ 807,423 654,508	\$ (166,577) 230,344
<u>110,255</u>	<u>82,691</u>	<u>(27,564)</u>	<u>1,398,164</u>	<u>1,461,931</u>	<u>63,767</u>
121,111	107,205	13,906	1,398,164	1,413,973	(15,809)
<u>121,111</u>	<u>107,205</u>	<u>13,906</u>	<u>1,398,164</u>	<u>1,413,973</u>	<u>(15,809)</u>
\$ <u>(10,856)</u>	\$ <u>(24,514)</u>	\$ <u>(13,658)</u>	\$ <u>-</u>	\$ <u>47,958</u>	\$ <u>47,958</u>

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Enterprise Funds

Enterprise Funds were established to account for activities that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the activity be self-supporting based on user charges.

The City of Dover has the following Enterprise Funds:

Water Fund: To account for the operation of a water treatment plant, City wells and water system.

Sewer Fund: To account for the operation of a sewer treatment plant, pumping station and sewer lines.

DBIDA Fund: To account for the economic development projects of the Dover Business Industrial Development Authority (DBIDA), which operates under RSA 162-G.

No annual budget is adopted for the DBIDA Fund.

Enterprise Funds

Schedule of Revenues and Expenses - Budget and Actual

For the Year Ended June 30, 2013

		Water Fund	
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Operating revenue	\$ 4,688,762	\$ 4,392,738	\$ (296,024)
Other	21,000	106,138	85,138
Total Operating Revenues	<u>4,709,762</u>	<u>4,498,876</u>	<u>(210,886)</u>
Operating Expenses:			
Personnel services	1,132,160	1,200,232	(68,072)
Purchased services	328,347	284,870	43,477
Supplies and materials	709,124	624,082	85,042
Minor equipment	202,634	39,478	163,156
Other	182,985	159,476	23,509
Depreciation	1,171,666	877,890	293,776
Total Operating Expenses	<u>3,726,916</u>	<u>3,186,028</u>	<u>540,888</u>
Operating Income (Loss)	<u>982,846</u>	<u>1,312,848</u>	<u>330,002</u>
Non-Operating Income (Expenses):			
Investment Income		182,303	182,303
Interest expense	(462,672)	(428,263)	34,409
Intergovernmental		600,000	600,000
Total Non-Operating Income (Expenses)	<u>(462,672)</u>	<u>354,040</u>	<u>816,712</u>
Net Income (Loss) Before Transfers	<u>520,174</u>	<u>1,666,888</u>	<u>1,146,714</u>
Other Financing Sources and Uses:			
Use of retained earnings			
Transfers out	(575,005)	(75,005)	500,000
Total Other Financing Sources and Uses	<u>(575,005)</u>	<u>(75,005)</u>	<u>500,000</u>
Net Income (Loss)	<u>\$ (54,831)</u>	<u>\$ 1,591,883</u>	<u>\$ 1,646,714</u>

	Sewer Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Operating revenue	\$ 5,354,011	\$ 4,873,190	\$ (480,821)
Other	<u>31,000</u>	<u>111,977</u>	<u>80,977</u>
Total Operating Revenues	<u>5,385,011</u>	<u>4,985,167</u>	<u>(399,844)</u>
Operating Expenses:			
Personnel services	1,493,280	1,543,400	(50,120)
Purchased services	586,178	561,632	24,546
Supplies and materials	1,011,708	779,780	231,928
Minor equipment	174,054	28,660	145,394
Other	251,900	218,928	32,972
Depreciation	<u>2,152,449</u>	<u>2,300,114</u>	<u>(147,665)</u>
Total Operating Expenses	<u>5,669,569</u>	<u>5,432,514</u>	<u>237,055</u>
Operating Income (Loss)	<u>(284,558)</u>	<u>(447,347)</u>	<u>(162,789)</u>
Non-Operating Income (Expenses):			
Investment Income		369,363	369,363
Interest expense	(451,771)	(389,413)	62,358
Intergovernmental	<u>6,840</u>	<u>285,997</u>	<u>279,157</u>
Total Non-Operating Income (Expenses)	<u>(444,931)</u>	<u>265,947</u>	<u>710,878</u>
Net Income (Loss) Before Transfers	<u>(729,489)</u>	<u>(181,400)</u>	<u>548,089</u>
Other Financing Sources and Uses:			
Use of retained earnings			
Transfers out	<u>(460,377)</u>	<u>(20,377)</u>	<u>440,000</u>
Total Other Financing Sources and Uses	<u>(460,377)</u>	<u>(20,377)</u>	<u>440,000</u>
Net Income (Loss)	<u>\$ (1,189,866)</u>	<u>\$ (201,777)</u>	<u>\$ 988,089</u>

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Internal Service Funds

- Dover Net Fund – To account for the costs related to the operations of the information technology network and the allocation of these costs to the various funds and functions.
- Central Stores Fund – To account for the costs related to the supplies, copiers and postage and the allocation of these costs to the various funds and functions based on actual use.
- Fleet Maintenance Fund – To account for the maintenance costs related to the vehicle fleet and the allocation of these costs to the various funds and functions based on actual use.
- Workers Compensation Fund – To account for the cost of administration, insurance and claims for workers compensation and the allocation of these costs to the various funds and functions based on historical wage and claims history.
- OPEB Fund – To account for the costs related to post-employment benefits other than pensions for eligible retirees and current employees.

Internal Service Funds

Combining Statement of Net Position

June 30, 2013

	Dover Net Fund	Central Stores Fund	Fleet Maintenance Fund	Workers Compensation Fund	OPEB Fund	Total
ASSETS						
Current:						
Departmental and other receivables	\$ 51,667		\$ 13,315			\$ 64,982
Due from (to) other funds	376,805	\$ 52,686	85,195	\$ 310,263	\$ 574,165	1,399,114
Prepaid expenses				45,000	116,340	161,340
Inventory			57,799			57,799
Total Assets	<u>428,472</u>	<u>52,686</u>	<u>156,309</u>	<u>355,263</u>	<u>690,505</u>	<u>1,683,235</u>
LIABILITIES						
Current:						
Accounts payable	17,789	1,500	13,016	54,955		87,260
Accrued liabilities	4,368		7,527			11,895
Claims liability				348,000		348,000
Compensated absences	17,729		18,480			36,209
Total Current Liabilities	<u>39,886</u>	<u>1,500</u>	<u>39,023</u>	<u>402,955</u>		<u>483,364</u>
Non-current:						
Claims liability, net of current portion				186,071		186,071
Total Liabilities	<u>39,886</u>	<u>1,500</u>	<u>39,023</u>	<u>589,026</u>		<u>669,435</u>
NET Position						
Restricted for capital projects	238,716					238,716
Unrestricted	<u>149,870</u>	<u>51,186</u>	<u>117,286</u>	<u>(233,763)</u>	<u>690,505</u>	<u>775,084</u>
Total Net Position	<u>\$ 388,586</u>	<u>\$ 51,186</u>	<u>\$ 117,286</u>	<u>\$ (233,763)</u>	<u>\$ 690,505</u>	<u>\$ 1,013,800</u>

Internal Service Funds

Combining Statement of Revenues, Expenses
and Changes in Fund Net Position

For Fiscal Year Ended June 30, 2013

	Dover Net Fund	Central Stores Fund	Fleet Maintenance Fund	Workers Compensation Fund	OPEB Fund	Total
Operating Revenues:						
Charges for services	\$ 259,468	\$ 90,461	\$ 838,691	\$ 378,957		\$ 1,567,577
Miscellaneous	298,661		28,973			327,634
Total Operating Revenues	<u>558,129</u>	<u>90,461</u>	<u>867,664</u>	<u>378,957</u>		<u>1,895,211</u>
Operating Expenses:						
Personal services	274,460		409,096	211,290	\$ 1,307,677	2,202,523
Purchased services	176,291	50,814	6,508	590,699		824,312
Supplies	27,502	34,587	18,093			80,182
Minor equipment	62,418					62,418
Other expenses			329,514	53,717		383,231
Total Operating Expenses	<u>540,671</u>	<u>85,401</u>	<u>763,211</u>	<u>855,706</u>	<u>1,307,677</u>	<u>3,552,666</u>
Operating Income (Loss)	<u>17,458</u>	<u>5,060</u>	<u>104,453</u>	<u>(476,749)</u>	<u>(1,307,677)</u>	<u>(1,657,455)</u>
Other Financing Sources (Uses)						
Transfer in (out)	95,837		(40,112)		1,684,600	1,740,325
Intergovernmental					28,035	28,035
Total Other Financing Sources (Uses)	<u>95,837</u>		<u>(40,112)</u>		<u>1,712,635</u>	<u>1,768,360</u>
Change in Net Position	113,295	5,060	64,341	(476,749)	404,958	110,905
Net Position at Beginning of Year	<u>275,291</u>	<u>46,126</u>	<u>52,945</u>	<u>242,986</u>	<u>285,547</u>	<u>902,895</u>
Net Position at End of Year	<u>\$ 388,586</u>	<u>\$ 51,186</u>	<u>\$ 117,286</u>	<u>\$ (233,763)</u>	<u>\$ 690,505</u>	<u>\$ 1,013,800</u>

Internal Service Funds

Combining Statement of Cash Flows

For Fiscal Year Ended June 30, 2013

	Dover Net Fund	Central Stores Fund	Fleet Maintenance Fund	Workers Compensation Fund	OPEB Fund	Total
Cash Flows From Operating Activities:						
Receipts from customers and users for services	\$ 556,016	\$ 90,461	\$ 858,406	\$ 378,957		\$ 1,883,840
Payments to vendors and contractors	(291,919)	(84,492)	(348,655)	(639,324)	\$ (1,307,677)	(2,672,067)
Payments of employee salaries and benefits	(275,573)		(415,144)	(142,499)		(833,216)
Receipts for interfund service provided				402,866		402,866
Payments for interfund service provided	(84,361)	(5,969)	(54,495)		(404,958)	(549,783)
Net Cash Provided By (Used For) Operating Activities	<u>(95,837)</u>	<u>-</u>	<u>40,112</u>	<u>-</u>	<u>(1,712,635)</u>	<u>(1,768,360)</u>
Cash Flows From Noncapital Financing Activities:						
Transfer in	95,837				1,684,600	1,780,437
Transfer out			(40,112)			(40,112)
Intergovernmental subsidy					28,035	28,035
Net Cash Provided By Noncapital Financing Activities	<u>95,837</u>	<u>-</u>	<u>(40,112)</u>	<u>-</u>	<u>1,712,635</u>	<u>1,768,360</u>
Cash and Short Term Investments, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and Short Term Investments, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income to Net Cash Provided by (Used For) Operating Activities:						
Operating income (loss)	\$ 17,458	\$ 5,060	\$ 104,453	\$ (476,749)	\$ (1,307,677)	\$ (1,657,455)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Changes in assets and liabilities:						
Inventory			3,049			3,049
Departmental and other receivables	(2,113)		(9,258)			(11,371)
Interfund receivables/payables	(84,361)	(5,969)	(54,495)	402,867	(404,958)	(146,916)
Other assets				(25,000)		(25,000)
Accounts payable	(25,708)	909	2,411	30,092		7,704
Accrued liabilities	358		1,032	68,790		70,180
Compensated absences	(1,471)		(7,080)			(8,551)
Net Cash Provided By (Used For) Operating Activities	<u>\$ (95,837)</u>	<u>\$ -</u>	<u>\$ 40,112</u>	<u>\$ -</u>	<u>\$ (1,712,635)</u>	<u>\$ (1,768,360)</u>

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Internal Service Funds

Schedule of Revenues and Expenses - Budget and Actual

For the Year Ended June 30, 2013

	Dover Net Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Charges for services	\$ 259,159	\$ 259,468	\$ 309
Other revenue	282,803	298,661	15,858
Total Operating Revenues	<u>541,962</u>	<u>558,129</u>	<u>16,167</u>
Operating Expenses:			
Personnel services	300,427	274,460	25,967
Purchased services	239,117	156,067	83,050
Supplies and materials	37,318	23,933	13,385
Minor equipment	148,013	71,010	77,003
Other	75,296		75,296
Total Operating Expenses	<u>800,171</u>	<u>525,470</u>	<u>274,701</u>
Operating Income (Loss)	(258,209)	32,659	290,868
Non-Operating Income (Expenses)			
Intergovernmental			
Net Income (Loss) Before Transfers	<u>(258,209)</u>	<u>32,659</u>	<u>290,868</u>
Other Financing Sources and Uses			
Use of retained earnings	130,387		(130,387)
Transfers in	24,000	95,835	71,835
Transfers out			
Total Other Financing Sources and Uses	<u>154,387</u>	<u>95,835</u>	<u>(58,552)</u>
Net Income (Loss)	<u>\$ (103,822)</u>	<u>\$ 128,494</u>	<u>\$ 232,316</u>

	Central Stores Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Charges for services	\$ 105,154	\$ 90,461	\$ (14,693)
Other revenue			
Total Operating Revenues	<u>105,154</u>	<u>90,461</u>	<u>(14,693)</u>
Operating Expenses:			
Personnel services			
Purchased services	68,709	49,141	19,568
Supplies and materials	38,118	34,587	3,531
Minor equipment			
Other			
Total Operating Expenses	<u>106,827</u>	<u>83,728</u>	<u>23,099</u>
Operating Income (Loss)	(1,673)	6,733	8,406
Non-Operating Income (Expenses)			
Intergovernmental			
Net Income (Loss) Before Transfers	<u>(1,673)</u>	<u>6,733</u>	<u>8,406</u>
Other Financing Sources and Uses			
Use of retained earnings			
Transfers in			
Transfers out			
Total Other Financing Sources and Uses			
Net Income (Loss)	<u>\$ (1,673)</u>	<u>\$ 6,733</u>	<u>\$ 8,406</u>

	Fleet Maintenance Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Charges for services	\$ 734,557	\$ 838,691	\$ 104,134
Other revenue	28,973	28,973	
Total Operating Revenues	<u>763,530</u>	<u>867,664</u>	<u>104,134</u>
Operating Expenses:			
Personnel services	427,827	394,096	33,731
Purchased services	6,498	6,508	(10)
Supplies and materials	14,256	17,499	(3,243)
Minor equipment	4,500		4,500
Other	296,903	329,514	(32,611)
Total Operating Expenses	<u>749,984</u>	<u>747,617</u>	<u>2,367</u>
Operating Income (Loss)	13,546	120,047	106,501
Non-Operating Income (Expenses)			
Intergovernmental			
Net Income (Loss) Before Transfers	<u>13,546</u>	<u>120,047</u>	<u>106,501</u>
Other Financing Sources and Uses			
Use of retained earnings	6,675		(6,675)
Transfers in			
Transfers out	<u>(40,112)</u>	<u>(40,112)</u>	
Total Other Financing Sources and Uses	<u>(33,437)</u>	<u>(40,112)</u>	<u>(6,675)</u>
Net Income (Loss)	\$ <u>(19,891)</u>	\$ <u>79,935</u>	\$ <u>99,826</u>

	Workers Compensation Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Charges for services	\$ 387,065	\$ 378,957	\$ (8,108)
Other revenue			
Total Operating Revenues	<u>387,065</u>	<u>378,957</u>	<u>(8,108)</u>
Operating Expenses:			
Personnel services	338,044	210,937	127,107
Purchased services	43,811	591,052	(547,241)
Supplies and materials			
Minor equipment			
Other	16,900	53,717	(36,817)
Total Operating Expenses	<u>398,755</u>	<u>855,706</u>	<u>(456,951)</u>
Operating Income (Loss)	(11,690)	(476,749)	(465,059)
Non-Operating Income (Expenses)			
Intergovernmental			
Net Income (Loss) Before Transfers	<u>(11,690)</u>	<u>(476,749)</u>	<u>(465,059)</u>
Other Financing Sources and Uses			
Use of retained earnings			
Transfers out			
Total Other Financing Sources and Uses			
Net Income (Loss)	<u>\$ (11,690)</u>	<u>\$ (476,749)</u>	<u>\$ (465,059)</u>

	OPEB Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Charges for services			
Other revenue			
Total Operating Revenues			
Operating Expenses:			
Personnel services	1,313,112	1,307,677	5,435
Purchased services			
Supplies and materials			
Minor equipment			
Other			
Total Operating Expenses	1,313,112	1,307,677	5,435
Operating Income (Loss)	(1,313,112)	(1,307,677)	5,435
Non-Operating Income (Expenses)			
Intergovernmental	-	28,035	28,035
Net Income (Loss) Before Transfers	(1,313,112)	(1,279,642)	33,470
Other Financing Sources and Uses			
Use of retained earnings			
Transfers in	1,313,112	1,684,600	371,488
Transfers out			
Total Other Financing Sources and Uses	1,313,112	1,684,600	371,488
Net Income (Loss)	-	404,958	404,958

Fiduciary Funds

Fiduciary Funds account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds.

Agency Funds:

- Performance Bonds – To account for funds received from contractors doing work for the City to insure the City against the contractor's failure to complete the request.
- Chamber of Commerce – To account for funds received from Chamber of Commerce for its Riverwalk Project.
- Department Agency – To account for funds received from other organizations for activities administered by various City departments.
- School Agency – To account for funds received from other organizations for activities administered by the Dover School Department.

Private Purpose Funds:

- Cemetery – To account for private donations left in trust to maintain graves and provide flowers.
- Parks and Recreation – To account for private donations left in trust to assist individuals attending various recreational programs.
- Welfare – To account for private donations left in trust for the benefit of low or moderate income individuals.
- School – To account for private donations left in trust mainly for the benefit of providing scholarships to high school graduates.

Agency Funds**Combining Statement of Assets and Liabilities**

June 30, 2013

	Performance Deposits	Chamber of Commerce	Department Agency	School Agency	Total
ASSETS					
Cash and short-term investments				\$ 273,491	\$ 273,491
Due from other funds	\$ <u>722,276</u>	\$ <u>3,083</u>	\$ <u>32,889</u>	<u>16,397</u>	<u>774,645</u>
Total Assets	\$ <u><u>722,276</u></u>	\$ <u><u>3,083</u></u>	\$ <u><u>32,889</u></u>	\$ <u><u>289,888</u></u>	\$ <u><u>1,048,136</u></u>
LIABILITIES					
Other liabilities	\$ <u>722,276</u>	\$ <u>3,083</u>	\$ <u>32,889</u>	\$ <u>289,888</u>	\$ <u>1,048,136</u>
Total Liabilities	\$ <u><u>722,276</u></u>	\$ <u><u>3,083</u></u>	\$ <u><u>32,889</u></u>	\$ <u><u>289,888</u></u>	\$ <u><u>1,048,136</u></u>

Agency Funds

Combining Statement of Changes in Assets and Liabilities

For the Fiscal Year Ended June 30, 2013

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
Performance Deposits				
Assets - due from other funds	\$ <u>908,476</u>	\$ <u>255,693</u>	\$ <u>(441,893)</u>	\$ <u>722,276</u>
Liabilities - other liabilities	\$ <u>908,476</u>	\$ <u>253,727</u>	\$ <u>(439,927)</u>	\$ <u>722,276</u>
Chamber of Commerce				
Assets - due from other funds	\$ <u>3,083</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>3,083</u>
Liabilities - other liabilities	\$ <u>3,083</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>3,083</u>
Department Agency				
Assets - due from other funds	\$ <u>34,214</u>	\$ <u>28,527</u>	\$ <u>(29,852)</u>	\$ <u>32,889</u>
Liabilities - other liabilities	\$ <u>34,214</u>	\$ <u>72,168</u>	\$ <u>(73,493)</u>	\$ <u>32,889</u>
School Agency				
Assets - cash	\$ 296,883	\$ 695,324	\$ (718,716)	\$ 273,491
Assets - due from other funds	15,962	8,244	(7,809)	16,397
Total Assets	\$ <u>312,845</u>	\$ <u>703,568</u>	\$ <u>(726,525)</u>	\$ <u>289,888</u>
Liabilities - other liabilities	\$ <u>312,845</u>	\$ <u>703,568</u>	\$ <u>(726,525)</u>	\$ <u>289,888</u>
Totals				
Assets - cash	\$ 296,883	\$ 695,324	\$ (718,716)	\$ 273,491
Assets - due from other funds	961,735	292,464	(479,554)	774,645
Total Assets	\$ <u>1,258,618</u>	\$ <u>987,788</u>	\$ <u>(1,198,270)</u>	\$ <u>1,048,136</u>
Liabilities - other liabilities	\$ <u>1,258,618</u>	\$ <u>1,029,463</u>	\$ <u>(1,239,945)</u>	\$ <u>1,048,136</u>

Private Purpose Trust Funds

Combining Statement of Fiduciary Net Position

June 30, 2013

	Cemetery	Parks and Recreation	Welfare	School	Total
ASSETS					
Due from other funds	\$ <u>196,651</u>	\$ <u>50,238</u>	\$ <u>133,706</u>	\$ <u>432,340</u>	\$ <u>812,935</u>
Total Assets	\$ <u><u>196,651</u></u>	\$ <u><u>50,238</u></u>	\$ <u><u>133,706</u></u>	\$ <u><u>432,340</u></u>	\$ <u><u>812,935</u></u>
NET POSITION					
Total Net Position Held in Trust	\$ <u><u>196,651</u></u>	\$ <u><u>50,238</u></u>	\$ <u><u>133,706</u></u>	\$ <u><u>432,340</u></u>	\$ <u><u>812,935</u></u>

Private Purpose Trust Funds

Combining Statement of Changes in Fiduciary Net Position

For Fiscal Year Ended June 30, 2013

	Cemetery	Parks and Recreation	Welfare	School	Total
Additions:					
Investment income	\$ 9,385	\$ 2,427	\$ 10,036	\$ 32,134	\$ 53,982
Total Additions	9,385	2,427	10,036	32,134	53,982
Deductions:					
Disbursements by agent	1,354	291	1,575	18,849	22,069
Total Deductions	1,354	291	1,575	18,849	22,069
Net Increase	8,031	2,136	8,461	13,285	31,913
Net Position:					
Beginning of Year	188,620	48,102	125,245	419,055	781,022
End of Year	<u>\$ 196,651</u>	<u>\$ 50,238</u>	<u>\$ 133,706</u>	<u>\$ 432,340</u>	<u>\$ 812,935</u>

STATISTICAL SECTION

City of Dover, New Hampshire

Statistical Section

The City of Dover's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	137 -145
Revenue Capacity These schedules contain information to help reader assess the government's most significant local revenue source, the property tax.	146 -151
Debt Capacity These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	152 -154
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	155 -156
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	157 -162

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Dover, New Hampshire

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental Activities										
Net investment in capital assets (1)										
Restricted	\$ 50,841,722	\$ 53,992,080	\$ 56,387,047	\$ 57,412,322	\$ 60,502,720	\$ 76,018,355	\$ 80,024,915	\$ 84,864,320	\$ 87,621,792	\$ 94,608,955
Unrestricted	467,560	135,140	135,519	220,907	706,657	239,781	357,330	3,755,675	3,831,773	4,176,355
	(4,956,172)	(5,048,192)	334,752	2,143,471	1,555,309	(4,425,923)	(4,256,357)	(6,028,784)	(13,020,114)	(15,040,301)
Total governmental activities net position	\$ 46,353,110	\$ 49,079,028	\$ 56,857,318	\$ 59,776,700	\$ 62,764,686	\$ 71,832,213	\$ 76,085,888	\$ 81,791,211	\$ 78,433,451	\$ 83,745,009
Business-type activities										
Net investment in capital assets										
Restricted	\$ 49,860,529	\$ 49,129,986	\$ 49,120,227	\$ 49,735,238	\$ 51,471,577	\$ 40,501,350	\$ 48,033,037	\$ 50,765,070	\$ 49,606,632	\$ 50,399,786
Unrestricted	1,548,748	2,961,035	2,628,641	3,619,664	5,630,120	6,388,298	6,692,028	1,694,773	-	5,002,798
	3,777,266	3,499,041	3,591,882	1,527,399	(2,037,985)	5,702,564	2,367,829	5,782,867	8,189,888	4,252,345
Total business-type activities net position	\$ 55,286,533	\$ 55,590,062	\$ 55,340,750	\$ 54,882,301	\$ 55,063,712	\$ 58,652,220	\$ 57,693,494	\$ 58,252,710	\$ 57,796,520	\$ 59,654,939
Primary government										
Net investment in capital assets										
Restricted	\$ 100,802,251	\$ 103,122,066	\$ 105,507,274	\$ 107,147,560	\$ 111,974,297	\$ 122,579,713	\$ 128,658,552	\$ 135,629,390	\$ 137,228,424	\$ 145,008,751
Unrestricted	2,016,308	3,096,175	2,764,160	3,840,571	6,336,777	6,628,079	7,049,358	5,450,448	3,831,773	9,179,153
	(1,178,916)	(1,549,151)	3,928,634	3,670,870	(482,676)	1,276,641	(1,928,528)	(1,036,917)	(4,830,226)	(10,787,956)
Total primary government net position	\$ 101,639,643	\$ 104,669,090	\$ 112,198,068	\$ 114,659,001	\$ 117,828,398	\$ 130,484,433	\$ 133,779,382	\$ 140,043,921	\$ 136,229,971	\$ 143,399,948

Notes

(1) Net investment in capital assets were restated for FY04.

City of Dover, New Hampshire

Changes in Net Position

Last Ten Fiscal Years

(actual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental activities										
General government										
Public safety	\$ 3,809,832	\$ 4,833,764	\$ 3,670,881	\$ 3,834,147	\$ 4,826,090	\$ 3,177,308	\$ 3,483,380	\$ 6,120,791	\$ 6,057,408	\$ 7,187,027
Public works	10,657,493	10,284,604	12,865,836	13,974,469	14,090,578	16,154,098	17,405,207	10,052,207	16,301,615	17,030,785
Culture and recreation	6,739,392	6,972,708	9,128,400	8,380,719	8,289,627	10,621,805	11,922,320	4,881,919	16,831,168	6,720,090
Education	2,911,587	2,349,885	2,892,727	3,655,755	3,468,304	3,659,804	3,498,166	3,313,265	3,325,068	3,296,827
Public Welfare	37,408,903	37,715,317	41,198,155	42,505,294	45,032,173	45,628,648	45,298,003	48,789,847	47,519,865	48,192,878
Intergovernmental	1,481,363	1,156,326	1,310,098	1,445,035	1,099,641	740,125	861,608	813,190	880,622	948,950
Interest	4,639,183	4,336,892	5,454,815	5,750,204	5,922,221	7,032,321	7,030,640	7,033,271	7,303,817	7,521,254
Miscellaneous	1,646,763	1,815,709	2,108,107	2,813,584	3,098,791	3,131,043	3,287,626	3,448,823	3,146,142	3,216,334
Total governmental activities expenses	69,294,516	69,465,226	78,618,899	82,359,217	85,927,425	90,196,214	92,756,949	101,565,765	101,565,765	94,115,043
Business-type activities										
Water services	2,521,875	2,779,842	2,077,351	3,304,778	3,430,042	3,362,625	3,745,551	3,414,368	3,618,587	3,599,668
Sewer services	4,566,230	4,647,438	4,997,619	5,043,665	5,017,000	5,472,360	5,426,802	5,227,382	5,345,924	5,868,950
Arena services	1,262,539	1,314,389	1,418,234	1,481,949	1,427,762	39,516	-	-	-	-
DDIDA services	8,358,537	8,747,548	9,475,147	9,874,892	10,013,246	6,042,353	268,878	312,964	195,493	134,900
Total business-type activities expenses	17,655,053	17,822,774	18,594,046	19,334,169	19,540,610	11,924,607	9,469,230	8,654,754	9,160,504	9,603,518
Total primary government expenses	\$ 86,949,569	\$ 87,288,000	\$ 97,212,945	\$ 101,693,386	\$ 105,468,035	\$ 102,120,821	\$ 102,226,179	\$ 110,220,519	\$ 110,726,269	\$ 103,718,561
Program Revenues										
Governmental activities										
Charges for services										
General government	\$ 871,799	\$ 1,312,097	\$ 1,609,618	\$ 1,310,619	\$ 1,149,111	\$ 916,560	\$ 2,085,157	\$ 1,631,363	\$ 1,577,067	\$ 2,218,125
Public safety	866,821	437,825	603,642	1,276,129	1,336,480	1,794,637	1,812,966	2,339,399	2,229,237	2,541,417
Public works	1,269,514	2,810,817	1,307,824	1,544,484	2,936,784	1,263,462	1,231,521	1,817,936	1,181,907	1,128,692
Culture and recreation	718,942	601,361	591,904	659,630	659,630	1,242,867	1,463,081	1,757,855	1,994,066	1,639,139
Education	12,851,805	13,493,145	13,633,851	14,030,236	14,070,236	14,939,866	7,187,991	6,379,842	6,293,841	5,570,396
Public Welfare	11,749	156,645	136,057	55,192	180,465	82,066	81,955	214,171	213,285	292,294
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total charges for services	16,621,630	18,851,890	17,879,866	18,875,833	20,323,732	20,219,448	13,922,671	14,140,595	13,560,393	13,368,003
Operating grants and contributions	6,724,481	6,284,743	6,061,067	7,100,396	6,862,484	6,879,478	18,091,830	15,094,964	14,659,924	14,168,744
Capital grants and contributions	1,768,318	919,502	1,213,101	970,772	1,026,815	2,993,635	904,887	719,491	660,251	643,193
Total governmental activities program revenues	25,114,429	26,056,135	25,154,034	26,946,971	27,933,031	32,462,561	32,899,389	29,654,909	28,280,568	28,180,000
Business-type activities										
Charges for services										
Water services	3,027,514	3,197,227	3,406,598	3,379,209	4,011,562	3,698,112	3,981,121	4,671,077	4,272,876	4,660,037
Sewer services	3,928,891	4,019,804	3,934,859	3,767,878	4,129,003	4,060,736	4,506,884	4,592,478	4,572,478	5,353,439
Arena services	1,062,550	1,202,974	1,264,746	1,461,474	1,568,928	-	-	-	-	-
DDIDA services	-	250	44,701	265,973	130,353	129,235	175,787	168,854	83,157	1,200
Total charges for services	8,018,955	8,420,255	8,650,004	8,877,534	9,847,746	8,176,083	8,332,233	9,346,815	8,928,513	10,034,686
Operating grants and contributions	474,062	612,876	538,839	553,375	240,877	424,992	134,611	77,679	27,913	1,396,969
Capital grants and contributions	8,463,023	9,022,931	9,183,743	8,436,959	10,691,623	8,660,116	8,166,864	9,424,484	8,946,426	11,421,595
Total business-type activities program revenues	\$ 33,653,452	\$ 35,086,966	\$ 34,343,807	\$ 36,376,880	\$ 38,021,054	\$ 41,032,736	\$ 41,266,252	\$ 39,379,403	\$ 37,236,944	\$ 39,611,595
Net (Expenses)/Revenue										
Governmental activities										
Business-type activities	\$ (44,160,087)	\$ (43,409,091)	\$ (53,464,835)	\$ (55,412,246)	\$ (57,994,394)	\$ (57,703,683)	\$ (59,837,571)	\$ (60,498,400)	\$ (73,085,137)	\$ (65,925,043)
Total primary government net expense	134,466	285,283	(285,404)	(544,983)	75,378	(452,216)	(1,104,307)	469,790	(203,576)	1,891,077
Total primary government net expense	\$ (44,045,601)	\$ (43,123,808)	\$ (53,750,239)	\$ (55,957,229)	\$ (57,919,016)	\$ (58,155,871)	\$ (60,801,938)	\$ (60,028,610)	\$ (73,288,715)	\$ (64,103,966)
General Revenues and Other Changes in Net Position										
Governmental activities										
Property taxes	\$ 41,202,971	\$ 44,469,792	\$ 49,608,220	\$ 52,129,249	\$ 55,835,213	\$ 59,488,588	\$ 60,266,022	\$ 61,572,865	\$ 65,534,332	\$ 65,837,919
Motor vehicle registration tax	3,844,146	3,923,934	3,969,620	3,927,069	3,803,303	3,692,119	3,567,596	3,533,202	3,710,038	3,933,255
Penalties, interest and other taxes	218,578	8,419	4,391	16,009	25,037	6,354	307,005	359,594	417,100	445,156
Unrestricted investment income/(loss)	334,854	433,768	1,008,421	1,811,976	1,110,037	16,804	(106,998)	719,092	(177,927)	115,400
Other revenue	100,160	123,533	232,575	447,325	208,790	494,195	207,849	98,700	284,616	929,015
Gain/(Loss) on sale of capital assets	-	(40,109)	-	-	-	-	-	-	-	-
Extraordinary item	-	(2,793,947)	6,395,994	-	-	-	-	-	-	-
Transfers, net	(82,675)	9,589	26,604	-	-	(1,227,259)	(130,009)	(62,120)	(40,602)	(34,616)
Total governmental activities	45,618,034	46,135,009	61,243,125	58,331,678	60,982,380	61,473,802	64,109,464	66,201,293	69,727,377	71,226,127
Business-type activities										
Investment income	7,509	27,845	52,496	66,533	100,033	40,213	15,641	7,309	3,140	2,223
Other Revenue	-	-	10,500	-	-	-	-	-	-	-
Gain/(Loss) on sale of capital assets	82,675	(9,589)	(26,604)	-	-	-	-	-	36,631	-
Transfers, net	90,184	18,246	36,032	66,533	106,033	1,267,432	130,009	82,120	40,602	34,616
Total business-type activities	\$ 45,706,218	\$ 46,155,255	\$ 61,279,217	\$ 58,418,161	\$ 61,088,413	\$ 62,141,214	\$ 64,255,105	\$ 66,290,722	\$ 69,809,946	\$ 71,262,566
Change in Net Position										
Governmental activities										
Business-type activities	\$ 1,437,947	\$ 2,705,918	\$ 7,778,290	\$ 2,919,382	\$ 2,887,680	\$ 3,770,149	\$ 4,251,893	\$ 5,702,893	\$ (3,352,760)	\$ 5,301,094
Total primary government	224,670	303,529	(249,312)	(428,459)	161,411	615,284	(948,798)	159,210	(129,989)	1,857,938
Total primary government	\$ 1,662,617	\$ 3,029,447	\$ 7,528,985	\$ 2,490,932	\$ 3,169,397	\$ 4,385,403	\$ 3,293,107	\$ 6,262,112	\$ (3,478,759)	\$ 7,159,022

City of Dover, New Hampshire

Fund Balances, Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010 (1)	2011 (2)	2012	2013
General Fund										
Reserved	\$ 2,331,430	\$ 2,698,298	\$ 3,146,070	\$ 4,025,592	\$ 3,948,069	\$ 2,309,013	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	-	-	-	-	-	3,273	3,821	3,144	4,094
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	732,278	806,786	823,847	666,026
Assigned	-	-	-	-	-	-	1,785,338	1,658,291	2,221,108	1,946,182
Unassigned	-	-	-	-	-	-	5,473,996	5,941,993	7,285,807	8,791,826
Unreserved	3,593,044	3,867,587	4,796,633	5,068,952	5,584,935	5,114,311	-	-	-	-
Total General Fund	\$ 5,924,474	\$ 6,565,885	\$ 7,942,703	\$ 9,094,544	\$ 9,533,004	\$ 7,423,324	\$ 7,994,885	\$ 8,410,891	\$ 10,333,906	\$ 11,408,128

All Other Governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,587,830	\$ 1,846,692	\$ 1,914,358	\$ 1,904,659
Restricted Special Revenues	-	-	-	-	-	-	4,365,197	1,955,496	1,983,730	2,308,974
Restricted Capital Projects	-	-	-	-	-	-	13,874,051	5,645,164	6,844,332	4,161,412
Committed - Special Revenues	-	-	-	-	-	-	895,930	3,086,889	3,348,329	3,511,216
Committed - Capital Projects	-	-	-	-	-	-	322,107	784,738	1,439,523	2,243,338
Unassigned - Special Revenue	-	-	-	-	-	-	(1,215,514)	(1,207,470)	(1,172,470)	(1,046,459)
Unassigned - Capital Projects	-	-	-	-	-	-	(1,312,766)	(1,665,817)	(1,668,358)	(2,225,177)
Reserved	3,168,322	2,890,235	7,269,317	11,055,514	8,181,128	5,914,151	-	-	-	-
Unreserved, reported in										
Special Revenue Funds	4,283,723	3,228,880	4,137,741	4,839,885	5,344,127	4,727,590	-	-	-	-
Capital Project Funds	4,465,278	9,880,180	11,105,112	10,272,747	2,070,246	6,315,773	-	-	-	-
Total All Other Governmental funds	\$11,917,323	\$15,999,295	\$22,512,170	\$26,168,146	\$15,595,501	\$16,957,514	\$18,516,835	\$ 10,445,692	\$ 12,689,444	\$ 10,857,963

Data Source:
Audited Financial Statements

Notes:

- (1) Recalculated Fiscal Year 2010 fund balances to show comparison of GASB Statement No. 54 to Fiscal Year 2011.
- (2) Fiscal Year 2011 is the initial year of implementation of GASB Statement No. 54.

City of Dover, New Hampshire

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Taxes	\$ 41,035,107	\$ 44,425,858	\$ 49,273,703	\$ 51,923,805	\$ 55,528,287	\$ 58,270,107	\$ 60,176,461	\$ 61,609,630	\$ 64,983,178	\$ 66,991,169
Licenses and permits	4,254,076	4,378,423	4,746,999	4,704,073	4,458,346	4,347,705	4,230,271	4,706,025	4,485,076	5,177,215
Intergovernmental	8,277,017	6,770,512	6,748,901	7,577,132	6,914,873	10,778,255	11,704,972	8,669,775	8,154,896	8,155,189
Current service charges	3,092,668	6,690,041	5,552,867	5,699,435	7,272,458	7,092,059	6,880,432	7,089,502	7,341,861	7,056,148
Education	11,060,453	11,589,151	11,513,198	11,944,765	11,954,934	12,700,692	13,637,769	12,856,890	12,424,970	11,394,990
Miscellaneous revenue	1,427,204	1,597,921	2,185,844	3,221,740	2,456,173	2,238,920	651,276	1,392,214	692,808	892,739
Total revenues	70,943,506	75,467,906	80,021,512	85,071,040	88,585,071	95,433,738	97,281,181	96,924,036	98,082,789	99,767,450
Expenditures										
General government	\$ 3,682,989	\$ 4,510,703	\$ 4,403,947	\$ 3,768,761	\$ 4,667,786	\$ 3,897,489	\$ 4,254,050	\$ 4,194,840	\$ 4,047,895	\$ 4,254,368
Public safety	10,453,530	11,220,754	12,244,120	12,527,349	12,315,515	12,983,903	14,529,070	14,169,409	13,961,389	14,674,961
Public works	4,774,012	5,488,069	5,396,712	6,020,093	5,396,667	6,087,921	6,877,677	4,456,543	5,371,344	3,001,813
Culture and recreation	2,232,117	2,207,717	2,596,284	3,164,802	2,724,950	3,799,731	3,713,823	3,558,306	3,577,308	3,605,724
Education	36,706,948	37,366,752	39,929,897	40,788,339	42,991,635	44,840,168	44,017,518	46,812,153	45,773,509	48,140,129
Public Welfare	1,475,210	1,171,342	1,271,139	1,422,465	1,067,523	1,129,423	1,205,134	1,220,988	1,307,385	1,432,589
Intergovernmental	4,039,183	4,336,892	5,454,815	5,750,204	5,922,221	6,772,323	7,030,640	7,033,271	7,303,817	7,521,254
Capital outlay (1)	5,393,035	6,952,065	10,748,911	17,072,862	14,066,205	13,032,244	11,501,504	11,934,295	5,015,237	8,711,942
Debt service	4,214,821	4,220,335	4,486,607	4,740,087	6,215,838	6,045,849	6,624,599	6,954,496	7,758,142	6,871,400
Principal	1,644,937	1,799,495	2,054,291	2,669,222	3,350,916	3,148,136	3,307,087	3,484,400	3,181,159	3,239,002
Interest	75,216,782	79,274,123	88,586,723	98,523,184	98,719,250	102,337,185	104,861,102	103,818,702	97,297,185	99,453,182
Total expenditures	164,444,817	164,444,817	164,444,817	164,444,817	164,444,817	164,444,817	164,444,817	164,444,817	164,444,817	164,444,817
Excess of revenues	(93,501,311)	(88,976,911)	(84,423,305)	(79,373,777)	(75,859,746)	(69,011,079)	(67,163,636)	(67,520,781)	(66,362,028)	(64,677,367)
Over/(under) expenditures	(4,273,276)	(3,866,217)	(8,565,211)	(13,452,144)	(10,134,185)	(6,903,447)	(7,579,921)	(6,894,656)	785,604	314,265
Other Financing Sources (Uses)										
Bond Issuance	\$ 6,065,000	\$ 8,520,000	\$ 10,428,000	\$ 18,196,000	-	\$ 8,545,000	\$ 9,839,000	\$ 250,000	\$ 4,800,000	\$ -
Bond Premium	-	-	-	63,961	-	-	260,390	-	713,942	697,521
Refunding Bond Issuance	-	-	-	-	-	-	8,790,000	-	8,530,000	-
Payment to Refunding Escrow	-	-	-	-	-	-	(9,050,390)	-	(9,192,189)	-
Transfers in	1,040,165	1,148,898	1,161,973	1,183,029	1,093,416	1,498,009	1,178,796	1,513,089	1,594,601	1,891,438
Transfers out	(1,122,840)	(1,139,298)	(1,135,069)	(1,183,029)	(1,093,416)	(2,685,641)	(1,308,766)	(2,525,138)	(3,064,852)	(3,666,379)
Total governmental activities	5,982,325	8,520,600	10,454,904	18,256,961	-	7,357,368	9,709,000	(762,049)	3,381,502	(1,077,420)
Net Change in fund balances	\$ 1,709,049	\$ 4,723,383	\$ 7,893,693	\$ 4,807,817	\$ (10,134,185)	\$ 453,921	\$ 2,129,079	\$ (7,656,715)	\$ 4,167,106	\$ (763,152)
Debt Service as a percentage of non-capital outlay expenditures	8.4%	8.3%	8.4%	9.1%	11.3%	11.0%	10.6%	11.4%	11.9%	11.1%
Data Source: Audited Financial Statements										

Notes

- (1) Capital outlay expenditures are presented within other function categories on page 39.
- (2) Gross amounts of transfers in and out are presented here, while transfers between nonmajor governmental funds have been eliminated on page 39.

City of Dover, New Hampshire

Changes in Fund Balances, General Fund

Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
Revenues	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Taxes	\$ 41,525,541	\$ 44,054,361	\$ 48,791,940	\$ 51,416,226	\$ 55,152,120	\$ 58,047,052	\$ 59,716,911	\$ 61,423,333	\$ 64,887,292	\$ 66,723,579
Licenses and permits	4,254,976	4,378,403	4,745,864	4,702,403	4,456,916	4,159,499	4,033,837	4,365,496	4,251,360	4,712,167
Intergovernmental	1,910,836	2,069,959	2,140,515	2,799,048	2,761,290	3,762,458	2,959,288	2,890,931	2,563,487	2,523,877
Current service charges	1,118,191	1,586,678	1,485,611	1,293,887	1,220,717	2,702,644	2,811,409	2,853,210	3,018,628	2,816,587
Education	11,666,453	11,589,151	11,513,198	11,944,765	11,954,934	12,700,692	13,637,769	12,856,890	12,424,970	11,394,990
Miscellaneous revenue	485,359	779,348	1,227,807	2,001,869	1,888,508	702,508	351,686	289,266	210,094	239,271
Total revenues	60,961,357	64,457,900	69,905,935	74,158,198	77,434,485	82,074,853	83,510,900	84,679,126	87,355,831	88,410,471
Expenditures by Function										
General government	\$ 3,518,072	\$ 3,933,830	\$ 3,710,777	\$ 4,707,754	4,691,917	3,870,728	\$ 3,935,300	\$ 4,216,767	\$ 4,082,660	\$ 4,296,218
Public safety	9,249,045	9,975,122	10,907,760	11,303,843	11,396,359	12,444,070	12,548,669	12,653,659	12,277,684	13,181,881
Public works	3,931,571	4,594,796	4,316,164	4,626,565	4,665,096	4,846,815	4,897,654	5,115,274	5,308,473	5,221,520
Culture and recreation	2,087,301	2,123,434	2,202,084	2,284,641	2,301,415	3,256,539	3,131,978	3,034,671	2,979,609	2,917,619
Education	30,486,749	31,380,847	33,848,664	35,528,132	37,141,062	39,029,285	40,382,145	40,029,006	40,131,390	41,077,160
Public Welfare	730,727	785,254	638,330	604,200	658,979	667,415	693,536	783,832	847,807	864,401
Intergovernmental	4,639,183	4,336,892	5,454,815	5,750,204	5,922,221	6,772,323	7,030,640	7,033,271	7,303,817	7,521,254
Debt service										
Principal	4,214,821	4,220,335	4,486,507	4,700,087	6,010,838	6,425,849	6,404,599	6,724,496	6,615,142	6,563,165
Interest	1,644,937	1,799,495	2,045,847	2,445,863	3,146,722	2,964,280	3,121,893	3,308,005	3,010,759	3,062,533
Total expenditures	60,502,406	63,150,004	67,611,048	71,951,289	75,934,609	80,297,304	82,146,414	82,898,982	82,557,341	84,705,751
Excess of revenues	458,951	1,307,896	2,294,887	2,206,909	1,499,876	1,777,549	1,364,486	1,780,144	4,798,490	3,704,720
Over (under) expenditures										
Other Financing Sources (Uses)										
Proceeds from borrowing							8,790,000		8,530,000	
Bond Premium				63,961			260,390		713,942	
Payment to Refunding Escrow							(9,050,390)		(9,192,189)	
Transfers in	63,828	32,000	32,000	32,000	32,000	-	515,856	578,650	137,624	1,036,554
Transfers out	(736,152)	(698,485)	(950,069)	(1,151,029)	(1,093,416)	(2,685,641)	(1,308,796)	(2,525,138)	(3,064,852)	(3,666,379)
Total governmental activities	(672,324)	(666,485)	(918,069)	(1,055,068)	(1,061,416)	(2,685,641)	(792,940)	(1,946,488)	(2,875,475)	(2,629,825)
Net Change in fund balances	\$ (213,373)	\$ 641,411	\$ 1,376,818	\$ 1,151,841	\$ 438,460	\$ (908,092)	\$ 571,546	\$ (166,344)	\$ 1,923,015	\$ 1,074,895
Data Source										

Audited Financial Statements

Notes

(1) Gross amounts of transfers in and out are presented here, while transfers between nonmajor governmental funds have been eliminated on page 39

City of Dover, New Hampshire

Changes in Fund Balances, Special Revenue Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Taxes	\$ 109,646	\$ 371,497	\$ 481,763	\$ 507,669	376,167	\$ 229,055	\$ 459,550	\$ 186,297	\$ 95,886	\$ 267,590
Licenses and permits	-	1,020	1,135	1,670	1,430	188,206	196,434	340,529	233,716	465,048
Intergovernmental	5,875,326	4,573,186	4,282,636	4,627,585	4,153,583	4,403,292	6,479,642	5,757,869	5,535,460	5,241,734
Current service charges	2,338,255	3,338,544	4,026,256	4,226,685	4,843,301	4,389,415	4,069,023	4,225,664	4,319,465	4,239,561
Education	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	861,377	548,268	710,930	973,661	327,782	226,899	154,015	979,172	60,007	631,302
Total revenues	9,184,604	8,832,525	9,502,720	10,337,270	9,702,263	9,436,867	11,358,664	11,489,531	10,244,534	10,845,235
Expenditures										
General government	164,917	576,873	693,170	1,029,501	609,614	91,089	378,836	326,691	490,534	216,318
Public safety	1,204,485	1,245,632	1,336,360	1,411,641	1,403,243	2,027,429	1,859,906	1,747,205	1,866,562	1,730,498
Public works	842,441	893,273	1,080,548	1,109,091	1,052,042	1,014,447	1,098,536	990,977	838,577	884,639
Culture and recreation	144,816	84,283	394,200	400,112	519,747	740,989	761,471	705,093	701,043	804,904
Education	6,220,199	5,985,905	6,081,233	5,917,742	5,855,883	6,046,817	6,922,299	6,628,473	5,943,857	5,474,992
Public Welfare	744,483	386,088	632,809	818,265	408,544	442,008	511,598	437,156	459,578	568,188
Debt service	-	-	-	40,000	205,000	220,000	220,000	230,000	245,000	308,235
Principal	-	-	8,444	206,359	204,194	183,856	185,194	176,394	170,400	176,469
Interest	-	-	-	-	-	-	-	-	-	-
Total expenditures	9,321,341	9,172,054	10,226,764	10,932,711	10,258,267	10,766,635	11,937,840	11,241,989	10,715,551	10,164,243
Excess of Revenues	(136,737)	(339,529)	(724,044)	(595,441)	(556,004)	(1,329,768)	(579,176)	247,542	(471,017)	680,992
Over(under) expenditures										
Other Financing Sources (Uses)										
Transfers in	676,337	733,299	943,713	1,207,020	1,061,416	1,398,009	1,107,940	962,102	1,215,884	1,352,958
Transfers out	(86,686)	(440,813)	(185,000)	(87,991)	-	(477,588)	(45,000)	(143,970)	(352,193)	(1,436,074)
Total governmental activities	589,649	292,486	758,713	1,119,029	1,061,416	920,421	1,062,940	818,132	863,691	(83,116)
Net Change in Fund Balances	\$ 452,912	\$ (47,043)	\$ 34,669	\$ 523,588	\$ 505,412	\$ (409,347)	\$ 463,764	\$ 1,065,674	\$ 392,674	\$ 597,876

Data Source
Audited Financial Statements

City of Dover, New Hampshire

Changes in Fund Balances, Capital Project Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Intergovernmental	\$ 490,855	\$ 136,357	\$ 325,750	\$ 150,499	\$ -	\$ 2,612,505	\$ 2,266,042	\$ 20,975	\$ 55,949	\$ 389,578
Current service charges	226,222	1,770,819	40,000	178,863	1,208,440	-	-	610,628	3,768	-
Education	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	80,468	270,305	247,107	246,210	239,883	1,309,513	145,575	123,776	422,707	122,166
Total revenues	797,545	2,177,481	612,857	575,572	1,448,323	3,922,018	2,411,617	755,379	482,424	511,744
Expenditures										
Capital outlay	5,393,035	6,952,065	10,748,911	15,639,184	12,526,380	11,273,246	10,776,848	9,677,731	3,126,293	4,583,188
Debt service	-	-	-	-	-	-	-	-	898,000	-
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total expenditures	5,393,035	6,952,065	10,748,911	15,639,184	12,526,380	11,273,246	10,776,848	9,677,731	4,024,293	4,583,188
Excess of Revenues	(4,595,490)	(4,774,584)	(10,136,054)	(15,063,612)	(11,078,057)	(7,351,228)	(8,365,231)	(8,922,352)	(3,541,869)	(4,071,444)
Over(under) expenditures										
Other Financing Sources (Uses)										
Proceeds from borrowing	6,065,000	8,520,000	16,428,000	18,196,000	-	8,545,000	9,839,000	250,000	4,800,000	-
Bond Premium	-	-	-	-	-	-	-	-	-	697,521
Transfers in	300,000	383,599	186,260	-	-	577,588	-	219,760	612,500	938,000
Transfers out	(300,000)	-	-	-	-	-	(400,000)	(103,453)	(19,214)	-
Total governmental activities	6,065,000	8,903,599	16,614,260	18,196,000	-	9,122,588	9,439,000	366,307	5,393,286	1,635,521
Net Change in Fund Balances	\$ 1,469,510	\$ 4,129,015	\$ 6,478,206	\$ 3,132,388	\$ (11,078,057)	\$ 1,771,360	\$ 1,073,769	\$ (8,556,045)	\$ 1,851,417	\$ (2,435,923)

Data Source:

Audited Financial Statements

City of Dover, New Hampshire

Combined Utility Fund Revenue, Expenses, and Changes in Fund Net Position

Last Ten Fiscal Years

Fiscal Year	Intergovernmental	Charges for Services	Revenue		Transfers In	Total	Operations & Maintenance	Depreciation	Expenses		Transfers Out	Total	Increase (Decrease) Total Net Position
			Other						Interest Expense				
2013	\$ 855,097	\$ 9,265,928	\$ 1,270,693	\$ -	\$ -	\$ 11,427,618	\$ 5,469,938	\$ 3,178,004	\$ 817,676	\$ 95,382	\$ 9,561,000	\$ 1,881,618	\$ 56,480,763
2012	-	6,575,666	472,362	-	-	9,048,228	5,405,396	3,012,690	653,783	89,195	9,160,677	(112,749)	56,619,161
2011	-	8,549,760	378,092	-	-	8,927,752	5,069,692	2,748,184	823,894	47,850	8,689,630	235,122	56,731,912
2010	-	7,691,633	515,009	-	-	8,206,708	5,368,058	2,869,111	937,164	-	9,172,353	(965,645)	56,493,780
2009	-	7,729,875	781,269	-	-	8,511,144	5,113,860	2,708,937	1,012,204	1,607	8,836,568	(325,454)	57,459,438
2008	-	7,859,469	627,463	-	-	8,486,932	4,718,312	2,637,268	1,091,442	-	8,447,042	38,930	57,784,692
2007	652,375	6,953,012	309,070	-	-	7,784,457	4,685,872	2,512,605	1,149,966	-	8,348,443	(563,966)	54,972,706
2006	519,346	7,065,852	327,782	-	-	7,912,980	4,558,550	2,432,858	993,482	26,904	8,001,874	168,894	55,536,091
2005	612,576	6,850,875	303,769	-	-	7,857,220	4,407,360	2,302,636	717,284	9,599	7,436,879	420,341	55,625,585
2004	474,062	6,383,456	580,370	82,675	-	7,520,503	3,952,920	2,139,939	596,146	-	7,088,105	432,459	55,205,244

Includes Water and Sewer Funds

Water Fund Revenue, Expenses, and Changes in Fund Net Position

Last Ten Fiscal Years

Fiscal Year	Intergovernmental	Charges for Services	Revenue		Transfers In	Total	Operations & Maintenance	Depreciation	Expenses		Transfers Out	Total	Increase (Decrease) Total Net Position
			Other						Interest Expense				
2013	\$ 600,000	\$ 4,392,738	\$ 635,083	\$ -	\$ -	\$ 5,627,821	\$ 2,292,515	\$ 877,890	\$ 428,263	\$ 75,005	\$ 3,673,673	\$ 1,954,148	\$ 22,471,821
2012	-	4,147,260	299,019	-	-	4,446,279	2,412,373	537,175	309,039	75,552	3,694,139	\$ 752,160	\$ 20,517,673
2011	-	4,221,145	118,435	-	-	4,339,600	2,227,769	741,785	444,074	42,059	3,456,427	883,173	19,765,513
2010	-	3,820,888	148,108	-	-	3,969,094	2,397,882	903,461	444,208	-	3,746,551	223,443	18,862,340
2009	-	3,876,794	129,488	-	-	4,006,282	2,310,328	575,562	476,735	-	3,362,625	643,657	18,659,901
2008	-	3,664,482	199,090	-	-	3,863,572	2,263,253	644,602	522,187	-	3,430,042	633,530	18,015,248
2007	-	3,241,820	182,180	-	-	3,424,000	2,219,625	637,400	447,753	-	3,304,778	119,222	16,110,202
2006	-	3,295,940	133,045	-	-	3,429,085	2,032,099	646,178	299,074	500	2,977,851	452,134	15,990,879
2005	15,000	3,059,682	150,305	-	-	3,224,987	1,980,737	602,372	186,733	6,500	2,786,342	435,045	15,538,845
2004	-	2,789,034	240,517	82,675	-	3,112,226	1,762,176	526,183	233,516	-	2,521,875	590,351	15,103,200

Sewer Fund Revenue, Expenses, and Changes in Fund Net Position

Last Ten Fiscal Years

Fiscal Year	Intergovernmental	Charges for Services	Revenue		Transfers In	Total	Operations & Maintenance	Depreciation	Expenses		Transfers Out	Total	Increase (Decrease) Total Net Position
			Other						Interest Expense				
2013	\$ 285,997	\$ 4,873,190	\$ 635,010	\$ -	\$ -	\$ 5,794,197	\$ 3,177,423	\$ 2,300,114	\$ 389,413	\$ 20,377	\$ 5,887,327	\$ (92,530)	\$ 36,008,660
2012	-	4,428,586	173,343	-	-	4,601,929	2,992,933	2,175,515	284,744	13,646	5,466,838	(864,909)	\$ 36,101,490
2011	-	4,327,615	260,537	-	-	4,588,152	2,841,983	2,006,378	379,020	5,821	5,233,203	(845,051)	36,966,399
2010	-	3,870,751	366,663	-	-	4,237,714	2,666,176	1,965,650	492,976	-	5,426,602	(1,189,088)	37,811,450
2009	-	3,653,081	651,781	-	-	4,304,862	2,803,532	2,133,365	535,469	1,607	5,473,973	(969,111)	38,800,537
2008	-	3,994,007	428,383	-	-	4,422,400	2,455,059	1,982,695	569,255	-	5,017,000	(594,600)	39,769,646
2007	552,375	3,821,192	189,890	-	-	4,363,457	2,466,247	1,875,205	702,213	-	5,043,665	(683,208)	38,862,504
2006	519,346	3,768,912	194,737	-	-	4,483,095	2,526,551	1,776,680	694,358	26,404	5,024,023	(541,028)	39,545,712
2005	597,576	3,824,193	213,464	-	-	4,635,233	2,416,623	1,700,284	530,551	3,099	4,650,537	(15,304)	40,086,740
2004	474,062	3,594,422	339,653	-	-	4,408,137	2,189,844	1,613,756	702,630	-	4,566,239	(157,893)	40,102,044

Data Source
Audited Financial Reports

Notes:

(1) Total Net Assets as restated for Fiscal Year ending June 30, 2008. Restatement resulting from adjustment of capital asset values and accumulated depreciation for capital contributions.

City of Dover, New Hampshire

General Government Tax Revenues by Source

Last Ten Fiscal Years

Fiscal Year	Property Taxes	Current Use Penalties	Boat Tax	Yield Tax	Payment in Lieu of Tax	Excavation Tax	Tax Interest & Penalties	Total
2013	\$ 66,181,631	\$ 267,591	\$ 18,283	\$ 2,064	\$ 76,435	\$ 2,547	\$ 442,619	\$ 66,991,169
2012	64,367,156	95,886	20,449	7,717	68,428	9,892	413,650	64,983,178
2011	60,971,187	186,297	16,903	4,651	75,847	2,083	352,662	61,609,630
2010	59,336,642	459,550	17,366	1,560	54,384	3,600	303,359	60,176,461
2009	57,638,349	229,055	16,177	1,096	78,157	5,484	307,789	58,276,107
2008	54,815,889	376,170	17,595	15,319	33,579	3,581	266,157	55,528,290
2007	51,082,581	507,669	19,957	14,130	62,765	6,513	230,280	51,923,895
2006	48,502,622	481,763	22,389	628	63,553	7,112	195,636	49,273,703
2005	43,776,292	363,102	24,174	1,456	57,145	9,863	193,827	44,425,858
2004	41,200,107	108,017	26,275	4,651	68,874	8,700	218,562	41,635,187

Data Source:
Audited Internal Financial Statements

City of Dover, New Hampshire

Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year	Property Tax Levied for Fiscal Year	Collected within the Fiscal Year of the Levy		Balance at Fiscal Year End of Levy Year	Subsequent Tax Collections	Balance at end of Current Fiscal year	Total Collections to Date		Number of Parcels		
		Amount	% of Levy				Amount	% of Levy	in Levy	Liened	% Liened
2013	\$ 66,147,949	\$ 63,043,571	95.3%	\$ 3,104,378	\$ -	\$ 3,104,378	\$ 63,043,571	95.3%	9,950	307	3.1%
2012	64,548,459	61,508,390	95.3%	3,040,069	-	802,679	61,508,390	95.3%	9,899	355	3.6%
2011	61,316,723	58,300,049	95.1%	3,016,674	2,532,662	484,012	60,832,711	99.2%	9,873	366	3.7%
2010	59,722,532	56,637,028	94.8%	3,085,504	2,961,808	123,696	59,598,836	99.8%	9,825	417	4.2%
2009	57,813,956	55,182,839	95.4%	2,631,117	2,560,985	70,132	57,743,824	99.9%	9,808	380	3.9%
2008	55,140,420	52,827,214	95.8%	2,313,206	2,284,479	28,727	55,111,693	99.9%	9,685	295	3.0%
2007	51,305,180	49,264,164	96.0%	2,041,016	2,038,278	2,738	51,302,442	100.0%	9,552	353	3.7%
2006	48,838,109	46,864,721	96.0%	1,973,388	1,973,302	86	48,838,023	100.0%	9,187	278	3.0%
2005	43,833,406	42,209,865	96.3%	1,623,541	1,623,541	-	43,833,406	100.0%	9,103	249	2.7%
2004	41,081,332	39,523,636	96.2%	1,557,696	1,557,696	-	41,081,332	100.0%	9,009	262	2.9%

Data Source:

Audited Internal Financial Statements, Property Tax Warrants and Reports of Tax Lien Executions

Tax liens are placed within 60 days after the end of the fiscal year. Taxpayers have two years to redeem liens prior to property being tax deeded.

City of Dover, New Hampshire

Assessed and Estimated Full Value of Real Property

Last Ten Fiscal Years

Fiscal Year	Local Assessed Value (1)				Total Assessed Value	Less Exemptions to Assessed Value (1)	Total Taxable Assessed Value (1)	Total Direct Tax Rate per \$1,000 of Assessed Value	Estimated Full Value (2)	Ratio of Total Assessed Value to Total Estimated Full Value
	Residential	Commercial/Industrial	Utilities							
2013	\$ 1,932,326,900	\$ 690,054,300	\$ 38,603,100	\$	2,660,984,300	\$ 48,980,100	\$ 2,612,004,200	25.52	\$ 2,746,252,625	96.9%
2012	1,924,887,500	678,660,400	38,603,100		2,642,151,000	49,544,400	2,592,606,600	25.12	2,716,654,840	97.3%
2011	1,948,881,800	673,620,000	35,415,000		2,657,916,800	51,381,750	2,606,535,050	23.75	2,774,177,802	95.8%
2010	1,934,577,500	666,109,800	35,400,900		2,636,088,200	52,866,750	2,583,221,450	23.33	2,768,903,096	95.2%
2009	2,094,567,000	685,319,200	35,303,500		2,815,189,700	51,608,150	2,763,581,550	21.10	3,009,995,763	93.5%
2008	2,195,273,500	655,131,100	35,579,100		2,885,983,700	50,914,700	2,835,069,000	19.63	3,028,004,490	95.3%
2007	2,178,722,000	597,125,300	34,773,700		2,810,621,000	45,808,500	2,764,812,500	18.72	2,954,382,748	95.1%
2006	1,992,919,500	546,120,670	33,169,300		2,572,209,470	36,144,400	2,536,065,070	17.29	2,909,166,586	88.4%
2005	1,881,960,500	545,071,520	33,003,800		2,460,035,820	30,528,200	2,429,507,620	16.42	2,599,843,962	94.6%
2004	1,580,353,000	485,398,492	31,250,100		2,097,001,592	19,013,400	2,077,988,192	17.67	2,303,407,162	91.0%

Data Sources:

(1) State MS-1 Report of Assessed Values

(2) NH Department of Revenue Administration's annual Equalization Survey

City of Dover, New Hampshire

Principal Taxpayers Current Year and Nine Years Ago

Taxpayer	Type of Business	2013 Assessed Value	Rank	Percentage of Total Assessed Value	2004 Assessed Value	Rank	Percentage of Total Assessed Value
Liberty Mutual Insurance Co	Insurance	\$ 70,130,800	1	2.68 %	\$ 24,392,300	1	1.17 %
Public Service Co of NH	Utility	22,577,500	2	0.86	20,669,900	2	0.99
171 Watson Rd of Dover Holding Corp.	Scholastic Testing	14,767,700	3	0.57	-	-	-
The New Meadows Inc	Apartments	13,933,400	4	0.53	11,408,000	3	0.55
Fortuna North, LLC	Wholesale	13,747,700	5	0.53	-	-	-
Northern Utilities Inc	Gas Utility	13,380,000	6	0.51	10,057,600	5	0.48
851 Central Ave LLC (Current) Shaw's(Previously)	Supermarket	13,073,600	7	0.50	8,897,500	8	0.43
Sawyers Mills Assoc Inc	Apartments	9,730,500	8	0.37	7,645,100	9	0.37
Dover Retirement Residence LLC	Retirement Community	9,122,400	9	0.35	-	-	-
Holgate Limited Partnership	Comm/Res Rentals	7,391,800	10	0.28	9,881,900	6	0.48
Goss (Current) Heidelberg (Previously)	Manufacturer	-	-	-	10,952,100	4	0.53
Dover Mills Partnership	Developer	-	-	-	9,501,700	7	0.46
Langdon Place of Dover	Retirement Community	-	-	-	7,211,000	10	0.35
Total Principal Taxpayers		\$ 187,855,400		7.19 %	\$ 120,617,100		5.80 %
Total Net Assessed Taxable Value		\$ 2,612,004,200			\$ 2,077,988,192		

Data Source:
City of Dover Tax Warrant

City of Dover, New Hampshire

Property Tax Rates per \$ 1,000 of Assessed Value Direct and Overlapping Governments Last Ten Fiscal Years

Fiscal Year	Budgetary Use of Fund					City Direct Rates					Overlapping Rate		Estimated Full Value Rate
	City	Balance (1)	Total City (2)	Local		State		Total		County	Total		
				School (2)	School (3)	School	School	School	Direct				
2013	\$ 9.71	-	\$ 9.71	\$ 10.38	\$ 2.55	\$ 12.93	\$ 22.64	\$ 2.88	\$ 25.52	\$		\$ 24.24	
2012	9.54	\$	9.54	10.26	2.50	12.76	22.30	2.82	25.12			23.94	
2011	8.93	-	8.93	9.57	2.55	12.12	21.05	2.70	23.75			22.26	
2010	8.55	-	8.55	9.54	2.52	12.06	20.61	2.72	23.33			21.70	
2009	7.57	-	7.57	8.79	2.31	11.10	18.67	2.43	21.10			19.33	
2008	7.23	-	7.23	8.02	2.31	10.33	17.56	2.07	19.63			18.33	
2007	6.87	(0.15)	6.72	7.56	2.38	9.94	16.66	2.06	18.72			17.47	
2006	7.04	-	7.04	7.66	2.59	10.25	17.29	2.13	19.42			16.88	
2005	6.91	-	6.91	6.71	2.80	9.51	16.42	1.76	18.18			16.93	
2004	7.48	(0.05)	7.43	5.87	4.37	10.24	17.67	2.21	19.88			17.85	

Data Source:
NH State Department of Revenue Administration

Notes:

- (1) Reflects the decrease to the City rate as a result of the City Council voting to use a portion of Fund Balance to finance the budget. This is calculated by the City of Dover for informational purposes.
- (2) Debt service is included in the City and Local School rates.
- (3) The NH State Legislature revised Education funding in Fiscal Year 2000, establishing a State Education Property Tax. Although warranted by the state, the taxes are collected by the City and spent for local school purposes. This rate does not apply to utility assessments. Utilities are billed directly by the State of NH.

City of Dover, New Hampshire

Utility Fund Net Budget, Billable Volumes and Rates Last Ten Fiscal Years

Fiscal Year	Amount to be Raised by Rates (1)		Billable Volume Used for Setting Rates (2)		Rates per HCF (4)		
	Water	Sewer	Water	Sewer (3)	Water	Sewer	Combined
2013	\$ 4,361,056	\$ 5,317,011	999,253	919,714	\$ 4.36	\$ 5.78	\$ 10.14
2012	3,980,328	5,036,855	999,253	919,714	3.97	5.43	9.40
2011	3,926,131	4,706,175	999,253	933,000	3.93	5.04	8.97
2010	3,847,648	4,426,221	1,019,000	933,000	3.78	4.74	8.52
2009	3,817,555	4,182,454	1,019,000	927,000	3.75	4.51	8.26
2008	3,597,404	4,069,946	1,019,000	927,000	3.53	4.39	7.92
2007	3,179,280	4,023,180	1,019,000	927,000	3.12	4.34	7.46
2006	3,016,240	3,828,510	1,019,000	927,000	2.96	4.13	7.09
2005	2,730,920	3,717,270	1,019,000	927,000	2.68	4.01	6.69
2004	2,422,840	3,605,880	1,018,000	906,000	2.38	3.98	6.36

Data Source:

City of Dover Budget and Budget Resolutions

Notes:

- (1) Amount to be raised by rate equals the net budget, i.e., appropriations less other revenue sources.
- (2) Billable Volume is the estimated billable water consumption in hundred cubic feet units (HCF).
- (3) Sewer charges are based on the amount of water consumed.
- (4) One hundred cubic feet (HCF) equals 748 gallons.

City of Dover, New Hampshire

Dover's Share of the Strafford County Tax Apportionment

Last Ten Fiscal Years

(based on percentage of equalized value)

Total Equalized Values

Tax Year	Dover	Strafford County	Dover's %
2011	\$ 2,716,654,840	\$ 9,932,175,396	27.3520627%
2010	2,776,723,718	10,188,669,097	27.2530562%
2009	2,771,603,605	10,535,297,254	26.3077874%
2008	3,012,848,041	11,251,423,584	26.7774830%
2007	3,030,963,132	11,365,940,726	26.6670679%
2006	2,957,658,251	11,428,976,216	25.8785931%
2005	2,912,670,592	10,943,501,422	26.6155271%
2004	2,603,256,233	9,798,715,231	26.5673221%
2003	2,307,394,165	8,651,293,933	26.6710874%
2002	2,036,499,998	7,464,648,336	27.2819282%

Apportionment of County Tax Levy

Fiscal Year	County Tax Levy	Dover's Share	Dover's Share \$ Change	Dover's Share % Change
2013	\$ 27,497,936	\$ 7,521,254	\$ 217,437	3.0%
2012	26,800,000	7,303,817	270,546	3.8%
2011	26,744,561	7,033,271	2,631	0.0%
2010	26,255,790	7,030,640	258,317	3.8%
2009	25,395,827	6,772,323	850,102	14.4%
2008	22,884,637	5,922,221	172,016	3.0%
2007	21,604,701	5,750,205	295,390	5.4%
2006	20,532,046	5,454,815	1,117,923	25.8%
2005	16,260,649	4,336,892	(302,291)	-6.5%
2004	17,004,598	4,639,183	943,938	25.5%

Data Sources:

NH Department of Revenue Administration Equalization Surveys

County Tax Warrants

Adopted Strafford County Budgets

City of Dover, New Hampshire

Ratios of Long Term Debt Outstanding and Legal Debt Limits Last Ten Fiscal Years

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt at June 30										
City Depts. (includes Arena) (1)	\$ 27,332,571	\$ 30,982,814	\$ 39,061,057	\$ 45,764,300	\$ 41,974,543	\$ 48,729,258	\$ 48,276,310	\$ 44,001,511	\$ 43,702,119	\$ 39,269,915
School Dept.	20,293,700	20,943,122	24,205,272	31,538,942	29,132,851	27,408,654	31,195,755	28,640,614	26,097,769	23,658,574
Total Governmental Activities	47,626,271	51,925,936	63,266,329	77,323,242	71,107,404	76,137,920	79,473,071	72,642,325	69,799,888	62,928,489
Water Fund	7,605,000	7,788,000	11,103,000	12,578,000	11,573,000	10,763,000	11,344,000	10,334,000	10,083,800	12,505,600
Sewer Fund	14,828,000	14,701,000	14,553,000	13,210,000	11,538,000	11,128,000	10,815,000	8,957,500	10,660,600	9,863,341
Arena Fund	3,785,820	3,542,430	3,298,940	3,055,450	2,813,960	-	-	-	-	-
DBIDA - Industrial Parks (4)	-	-	2,393,554	2,259,453	2,121,775	1,963,435	1,841,189	1,794,773	-	-
DBIDA - Industrial Buildings (5)	-	-	-	-	-	-	-	-	-	-
DBIDA - Industrial Project (6)	-	-	-	-	-	-	-	-	-	-
Total Debt at June 30	\$ 73,905,191	\$ 77,957,369	\$ 95,203,823	\$ 108,423,145	\$ 99,154,139	\$ 100,012,355	\$ 103,473,260	\$ 93,729,598	\$ 90,544,288	\$ 85,297,630
Base Value for Debt Limits (2)										
	\$ 2,336,696,368	\$ 2,634,930,749	\$ 2,944,329,836	\$ 2,988,313,185	\$ 3,080,293,658	\$ 3,040,617,437	\$ 2,768,803,096	\$ 2,774,177,802	\$ 2,714,253,993	\$ 2,743,418,578
Legal Debt Limits (% of Base Value)										
City - 1.75% thru 1998, 3% 1999 on (3)	\$ 70,100,891	\$ 79,047,922	\$ 88,329,895	\$ 89,649,396	\$ 91,808,810	\$ 91,216,523	\$ 83,087,093	\$ 83,225,334	\$ 81,427,620	\$ 82,302,557
School - 7% (3)	163,568,746	184,445,152	206,103,088	209,181,923	214,220,556	212,843,221	193,823,217	194,192,446	189,997,780	192,039,300
Water - 10% (3)	233,669,637	263,493,075	294,432,984	298,831,319	306,029,366	304,061,744	276,890,310	277,417,780	271,425,399	274,341,858
DBIDA - Industrial Parks (4)	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
DBIDA - Industrial Buildings (5)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
DBIDA - Industrial Project (6)	NA	NA	205,776,756	224,849,650	230,847,080	225,185,544	210,653,736	212,606,024	211,372,080	211,372,080
Debt Against Legal Debt Limits										
City Depts. (includes Arena)	27,052,920	30,306,430	37,712,940	42,999,450	39,454,860	40,012,470	40,171,286	36,903,240	37,226,320	33,202,108
School Dept.	20,293,700	20,943,122	24,205,272	31,538,942	29,132,861	27,408,654	31,195,754	28,640,614	26,097,769	23,658,574
Water Fund	7,685,000	7,768,000	11,103,000	12,578,000	11,573,000	10,763,000	11,344,000	10,334,000	10,083,800	12,505,600
DBIDA - Industrial Parks	1,285,000	1,115,000	945,000	1,085,000	845,000	595,000	345,000	100,000	-	-
DBIDA - Industrial Buildings	-	-	-	-	-	-	-	-	-	-
DBIDA - Industrial Project	-	-	2,393,554	1,936,453	1,881,775	1,823,435	1,761,189	1,894,773	-	-
Exempt from Legal Debt Limits (7)	17,609,571	17,804,814	18,955,057	18,285,300	16,266,543	19,409,786	18,655,029	16,055,771	17,136,399	15,931,148
Total Debt at June 30	\$ 73,905,191	\$ 77,957,369	\$ 95,203,823	\$ 108,423,145	\$ 99,154,139	\$ 100,012,355	\$ 103,473,260	\$ 93,729,598	\$ 90,544,288	\$ 85,297,630
Unused Capacity of Legal Debt Limits										
City Depts.	\$ 43,047,971	\$ 48,741,492	\$ 50,616,955	\$ 49,659,946	\$ 52,353,850	\$ 51,206,053	\$ 42,895,805	\$ 48,322,094	\$ 44,201,300	\$ 49,100,449
School Dept.	143,275,046	163,502,030	181,896,817	177,642,981	185,087,695	185,434,557	162,626,463	165,551,632	163,900,011	168,380,728
Water Fund	228,004,637	255,705,075	283,329,984	286,253,319	294,456,366	293,298,744	265,546,310	267,083,780	261,341,599	261,830,658
DBIDA - Industrial Parks	2,715,000	2,885,000	3,055,000	2,905,000	3,155,000	3,405,000	3,655,000	3,900,000	4,000,000	4,000,000
DBIDA - Industrial Buildings	1,000,000	1,000,000	-	-	-	-	-	-	-	-
DBIDA - Industrial Project	NA	NA	203,393,203	222,913,227	228,965,365	223,362,109	209,098,547	210,911,251	211,372,080	211,372,080
% of Legal Debt Limits Used										
City Depts.	35.6%	39.3%	42.7%	48.0%	43.0%	43.9%	48.4%	44.3%	45.7%	40.3%
School Dept.	12.4%	11.4%	11.7%	15.1%	13.6%	12.8%	16.1%	14.7%	13.7%	12.3%
Water Fund	3.3%	3.0%	3.8%	4.2%	3.8%	3.5%	4.1%	3.7%	3.7%	4.6%
DBIDA - Industrial Parks	32.1%	27.9%	23.6%	27.4%	21.1%	14.9%	8.6%	2.5%	0.0%	0.0%
DBIDA - Industrial Buildings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
DBIDA - Industrial Project	0.0%	0.0%	1.2%	0.9%	0.8%	0.8%	0.8%	0.8%	0.0%	0.0%
Data Source										
Audited Financial Statements										
Notes:										
(1) In Fiscal Year 2009 the Arena Enterprise Fund was dissolved into the General Fund.										
(2) Base Value for Debt Limits computed by the NH Department of Revenue Administration										
(3) Legal debt limit percentage rates set by NH State statute										
(4) Dover Business & Industrial Development Authority - Industrial Parks. Limit set by special legislation. New statute adopted by City Council February 9, 2005 effective for new debt authorizations.										
(5) Dover Business & Industrial Development Authority - Industrial Parks Buildings. Limit set by special legislation. New statute adopted by City Council February 9, 2005 effective for new debt authorizations.										
(6) Dover Business & Industrial Development Authority - Bond Limit of general obligation of 8% of local assessed value.										
(7) Debt exempt from Debt limits consists of Hospital and Sewer debt, debt for hazardous waste remediation included in City Departments and debt for Public Parking improvements as set per NH State statute.										

City of Dover, New Hampshire

Ratios of Outstanding Debt by Debt Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities - General Obligation Debt					Tax Supported Debt		% of Net Debt to Assessed Value	Tax Supported Debt per capita (1)
	City Dept.	Hospital	School Dept.	Total	Less Hospital Reimbursement	Less State School Aid	Debt		
2013	\$ 39,269,915	\$ -	\$ 23,658,574	\$ 62,928,489	\$ -	\$ 7,491,870	\$ 55,436,619	2.1%	\$ 1,816
2012	43,702,119	-	26,097,769	69,799,888	-	6,304,708	63,495,180	2.4%	2,093
2011	44,101,511	-	28,640,814	72,742,325	-	6,919,599	65,822,726	2.5%	2,182
2010	48,276,316	-	31,196,755	79,473,071	-	7,550,706	71,922,365	2.8%	2,398
2009	48,728,256	-	27,408,664	76,137,920	-	8,194,361	67,943,559	2.5%	2,310
2008	41,974,543	-	26,132,861	71,107,404	-	8,679,349	62,428,055	2.2%	2,135
2007	45,784,300	-	31,538,942	77,323,242	-	8,883,961	68,439,281	2.5%	2,347
2006	39,661,057	-	24,206,272	63,867,329	-	5,421,046	58,446,283	2.3%	2,009
2005	30,982,814	-	20,943,122	51,925,936	-	4,240,639	47,685,297	2.0%	1,660
2004	27,332,571	-	20,293,700	47,626,271	-	4,582,229	42,944,042	2.1%	1,497

Fiscal Year	Business-Type Activities - General Obligation Debt					Tax Supported Debt		Net Debt per capita (1)	% of Personal Income (2)
	Water Fund	Sewer Fund	Arena Fund	DBIDA Fund (3)	Total	Less State Sewer Aid	Debt		
2013	\$ 12,505,800	\$ 9,863,341	\$ -	\$ -	\$ 22,369,141	\$ 154,726	\$ 22,214,415	\$ 728	2.3%
2012	10,083,800	10,660,600	-	-	20,744,400	170,169	20,574,231	678	2.2%
2011	10,334,000	8,957,500	-	1,694,773	20,986,273	1,098,275	19,877,998	662	2.2%
2010	11,344,000	10,815,000	-	1,841,169	24,000,169	2,051,393	21,948,866	732	2.4%
2009	10,763,000	11,128,000	-	1,983,435	23,874,435	3,057,595	20,816,870	708	2.4%
2008	11,573,000	11,538,000	2,813,960	2,121,775	28,046,735	3,804,551	24,242,184	829	2.8%
2007	12,578,000	13,210,000	3,055,450	2,256,453	31,099,903	4,141,071	26,958,832	924	3.2%
2006	11,103,000	14,553,000	3,298,940	2,383,554	31,338,494	4,970,873	26,367,621	906	3.2%
2005	7,788,000	14,701,000	3,542,430	-	26,031,430	5,800,276	20,231,154	704	2.6%
2004	7,665,000	14,829,000	3,785,920	-	26,279,920	6,629,874	19,650,046	685	2.6%

Fiscal Year	Total Primary Government			Less State and Hospital			Net Debt			Percentage of Net Debt to Actual Taxable Value of Property			Total Debt		
2013	\$ 85,297,930	\$ 7,648,596	\$ 77,651,034				\$ 2,544	\$ 2,795	\$ 8.9%						
2012	90,544,288	6,474,877	84,069,411				2,771	2,984	9.7%						
2011	93,728,598	7,927,874	85,800,724				2,844	3,107	10.2%						
2010	103,473,260	9,602,089	93,871,171				3,130	3,451	11.5%						
2009	100,012,355	11,251,926	88,760,429				3,017	3,400	11.5%						
2008	99,154,139	12,483,900	86,670,239				2,965	3,392	11.3%						
2007	108,423,145	13,025,062	95,398,083				3,271	3,718	12.8%						
2006	95,205,023	10,391,719	84,814,105				2,915	3,272	11.6%						
2005	77,957,368	10,040,915	67,916,451				2,364	2,714	9.9%						
2004	73,906,191	11,312,103	62,594,088				2,182	2,576	9.7%						

Data Source:

Audited Financial Statements

Assessing Department MS-1 Reports

Notes:

- (1) Per capita ratio for FY2010 is based on 2010 U.S. Census data, all other years based on trended NH Office of Energy and Planning population estimates.
- (2) Personal income ratios based on 2010 US Census amounts and trended NH Office of Energy and Planning estimates.
- (3) In Fiscal Year 2009 the Arena Fund was dissolved into the General Fund.
- (4) In Fiscal Year 2012 DBIDA General Obligation Debt was fully paid as part of a real estate sales transaction.

City of Dover, New Hampshire

Computation of Overlapping Debt Strafford County Long-Term Debt Last Ten Calendar Years

Direct: City of Dover				
End of Fiscal Year	General Obligation Debt		Percentage Applicable to Government	Amount Applicable to Government
	Outstanding			
2013	\$	62,928,489	100%	\$ 62,928,489
2012		69,799,888	100%	69,799,888
2011		72,742,325	100%	72,742,325
2010		79,473,071	100%	79,473,071
2009		76,137,920	100%	76,137,920
2008		71,107,404	100%	71,107,404
2007		77,323,242	100%	77,323,242
2006		63,897,329	100%	63,897,329
2005		51,925,936	100%	51,925,936
2004		47,626,271	100%	47,626,271

Overlapping: Strafford County				
End of Calendar Year	Net General Obligation Debt		Percentage Applicable to Government (2)	Amount Applicable to Government
	Outstanding (1)			
2012	\$	18,182,190	27.5839540%	\$ 5,015,367
2011		19,740,000	27.3520627%	5,399,297
2010		21,535,000	27.2530562%	5,868,948
2009		23,474,863	26.3077874%	6,175,717
2008		21,027,839	28.7774830%	5,630,726
2007		22,762,938	26.6070678%	6,070,181
2006		24,495,948	25.8785931%	6,339,207
2005		24,960,356	28.6155271%	6,643,330
2004		26,361,597	28.5673221%	7,003,570
2003		23,565,225	28.6710874%	6,285,102

Total Direct and Overlapping Debt				
End of Fiscal Year	Direct Debt		Overlapping Debt	Total Applicable to Government
2013	\$	62,928,489	\$ 5,015,367	\$ 67,943,856
2012		69,799,888	5,309,297	75,109,185
2011		72,742,325	5,868,948	78,611,271
2010		79,473,071	6,175,717	85,648,788
2009		76,137,920	5,630,728	81,768,648
2008		71,107,404	6,070,181	77,177,585
2007		77,323,242	6,339,207	83,662,449
2006		63,897,329	6,643,330	70,540,659
2005		51,925,936	7,003,570	58,929,506
2004		47,626,271	6,285,102	53,911,373

Data Sources:

- (1) Strafford County Audited Financial Statements at calendar year end
- (2) The percentage of this overlap is based on County apportionments determined by the NH Department of Revenue Administration. The City's apportionment is determined by the City's equalized property values as a percentage of the total equalized property values for all municipalities within Strafford County.

City of Dover, New Hampshire

Demographic Statistics

Last Ten Fiscal Years

Fiscal Year	Population (1)	Median Family Income (2)	Estimated Total Personal Income (3)	Per Capita Personal Income (2)	City (4)		Unemployment Rates (4)	
					Unemployed	Labor Force	City	State of NH US
2013	30,521	\$ 80,830	\$ 956,650,224	\$ 31,344	750	18,110	4.2%	5.1% 7.3%
2012	30,343	79,180	938,053,845	30,915	870	18,240	4.8%	5.4% 8.4%
2011	30,165	77,509	919,610,190	30,486	860	17,740	4.8%	5.2% 9.3%
2010	29,987	75,820	901,319,259	30,057	910	17,390	5.2%	5.7% 9.5%
2009	29,417	73,943	871,566,876	29,628	1,072	17,580	6.1%	6.8% 9.8%
2008	29,236	72,066	874,127,164	29,899	638	18,240	3.5%	4.0% 5.7%
2007	29,161	70,189	848,410,134	29,094	579	17,550	3.3%	4.0% 5.0%
2006	29,097	68,312	823,125,033	28,289	539	17,400	3.1%	3.6% 5.1%
2005	28,728	66,435	789,560,352	27,484	504	16,442	3.1%	3.8% 5.5%
2004	28,688	64,558	765,367,152	26,679	564	16,310	3.5%	4.3% 6.0%

Data Sources:

- (1) 2010 data based on 2010 U.S. Census, all other years trended based on NH Office of State Planning population estimates.
- (2) 2010 data based on 2010 U.S. American Community Survey, all other years trended based on U.S. Census data.
- (3) Estimated based on trended population and per capita personal income.
- (4) US Bureau of Labor Statistic - calendar year annual averages not seasonally adjusted.
Reflects calendar year ending during fiscal year (mid-fiscal year).

City of Dover, New Hampshire

Principal Employers Current Year and Nine Years Ago

	Employer	Type of Business	2013			2004		
			Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
	Liberty Mutual Insurance Co	Insurance	3,158	1	17.44 %	1,204	2	7.38 %
	City of Dover (FTEs)	Municipality	798	2	4.41	870	3	5.33
	Wentworth Douglas Hospital	Hospital	796	3	4.40	1,250	1	7.66
	Stratford County	County Government	483	4	2.67			
	Measured Progress	Scholastic testing	420	5	2.32			
	Vygon USA Manufacturing	Manufacturer - medical items	111	6	0.61			
	GM Nameplate	Nameplates for auto/cosmetics	98	7	0.54			
	Hirel Systems	Manufacturer - Electronics	83	8	0.46			
	Dell Services (Parot Systems)	Defense Tech System Contractor	77	9	0.43	130	9	
	Universal Recycling Technologies	Electronics Recycling	53	10	0.29			
	Fosters Daily Democrat	Newspaper				200	5	1.23
	Goss (previously Heidelberg Harris)	Manufacturer - Prossos				600	4	3.68
	Electrocrafft (EAD Motors)	Electric motors & fans				150	6	0.92
	MBNA	Telemarketing				147	7	0.90
	ATT	National Passport Center				130	8	0.80
	Fibrethane	Manufacturer - Carbon Filters				90	10	0.55
	Total Principal Employers		6,077		33.56 %	4,771		28.45 %
	Total City Employment (1)		18,110			16,310		

Data Source:
Final Official Statements for City of Dover bond issues and information provided by City's Economic Development Office.

Notes
(1) US Bureau of Labor Statistics calendar year annual average ending during fiscal year.

City of Dover, New Hampshire

Operating Indicators by Function

Last Ten Fiscal Years

Function	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Finance										
Taxable property parcels assessed	9,009	9,103	9,187	9,552	9,685	9,808	9,825	9,873	9,899	9,950
Property transfers processed	1,194	1,170	1,198	977	781	712	689	740	742	904
Motor vehicles registered	30,622	30,775	30,210	30,247	29,840	27,665	28,334	29,280	30,838	30,516
Inspection Services Division										
Number of inspections conducted (1)	637	623	782	1,214	1,278	4,227	5,112	4,598	5,203	6,211
Building Permits Issued	654	572	531	522	398	349	396	358	381	436
Estimated construction value in millions	\$ 55.95	\$ 45.88	\$ 53.58	\$ 74.20	\$ 53.51	\$ 33.74	\$ 29.82	\$ 47.90	\$ 23.78	\$ 50.08
Police (2)										
Physical arrests	1,252	1,245	1,349	1,469	1,213	908	789	844	819	923
Traffic violations	1,466	1,313	1,400	1,319	1,686	1,326	1,138	1,134	1,217	1,194
Parking violations	8,472	8,374	8,499	10,507	8,522	7,795	7,720	6,679	10,336	8,420
Fire and Rescue										
Calls answered	4,794	5,147	5,021	5,085	5,146	5,018	5,549	5,347	5,242	5,215
Emergency Responses	3,038	3,197	3,200	3,712	3,923	3,844	4,244	4,859	4,609	4,833
Fires extinguished	104	72	101	101	152	277	306	286	353	328
Emergency medical responses	2,144	2,224	2,175	2,441	2,692	2,349	2,614	2,945	2,880	2,873
Community services - Public Works										
Refuse collected (tons)	5,000	4,996	5,853	5,267	5,407	4,919	3,941	3,546	3,884	4,061
Recycling (tons)	2,060	2,823	3,017	4,255	3,036	2,532	2,518	2,493	2,472	2,529
Streets resurfaced (miles)	6.0	4.5	13.1	8.0	2.6	6.9	3.0	2.9	3.7	22.3
Public Library										
Volumes in collections	101,114	99,321	100,247	103,884	104,004	107,701	104,639	104,974	101,715	99,937
Total volumes borrowed	274,052	270,692	278,396	279,332	290,402	299,346	288,512	296,225	291,515	293,757
Public Welfare - General Assistance										
Number of contacts	3,328	3,935	4,956	4,010	4,763	4,987	6,362	6,308	6,293	5,791
Assisted cases	610	650	698	664	685	685	1,651	1,924	1,982	1,839
Water system:										
Water main breaks	NA	4	2	13	18	16	16	1	4	12
Daily average consumption (millions of gallons)	2.2	2.3	2.3	2.3	2.3	2.5	2.8	3.0	3.1	3.1
Peak daily consumption (millions of gallons)	3.2	3.4	3.4	3.6	3.6	3.5	3.2	3.7	4.1	3.6
Sewage System:										
Daily average treatment (millions of gallons)	2.7	2.6	2.8	2.8	2.9	3.1	2.6	2.5	2.5	2.4

Data Source:

Various city departments

Notes

(1) In FY 2009 the Building Inspection Division and Fire Inspection Division were combined into one Division.

(2) Calendar year ending during the fiscal year

City of Dover, New Hampshire

Capital Asset Statistics by Function Last Ten Fiscal Years

Function	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Number of stations	2	2	2	2	2	2	2	2	2	2
Number of patrol units	10	10	10	10	10	9	9	9	9	9
Fire and Rescue										
Number of stations	2	2	2	2	2	3	3	3	3	3
Number of ladder trucks	1	1	1	2	2	2	2	2	2	2
Number of pumps	4	4	4	3	3	4	4	4	4	4
Number of support vehicles	5	5	5	6	6	6	6	6	6	6
Number of ambulances	3	3	3	3	3	3	3	3	3	3
Community Services - Public Works										
Miles of streets	131	131	132	132	133	133	133	133	133	133
Miles of storm drains	57	64	65	67	67	69	69	69	69	70
Number of street lights	1,836	1,770	1,773	1,773	1,777	1,776	1,776	1,771	1,771	1,776
Number of bridges	11	11	11	11	11	11	12	12	12	12
Recreation:										
Community centers	2	2	2	1	1	1	1	1	1	1
Number of parks	17	18	18	18	18	25	25	25	25	25
Park acreage	250	274	274	274	274	235	235	235	235	235
Playgrounds	11	11	12	12	12	15	15	15	15	15
Baseball/softball fields	10	10	10	10	10	6	6	6	6	6
Football/soccer fields	7	7	7	7	7	2	2	2	2	2
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	9	9	9	9	9	10	10	10	10	10
Indoor gyms	2	2	2	1	1	1	1	1	1	1
Indoor ice skating sheets	2	2	2	2	2	2	2	2	2	2
Water system:										
Miles of water mains	134	148	149	151	155	153	153	153	155	157
Number of service connections	7,900	7,993	8,040	8,124	8,156	8,218	8,270	8,321	8,490	8,500
Storage capacity in gallons (millions of gallons)	5	5	5	5	5	5	5	5	6	6
Maximum daily capacity of plant (millions of gallons)	3.4	3.4	3.4	4	5	5	5	5	5	5
Number of fire hydrants	960	967	1,050	1,093	1,107	1,107	1,107	1,130	1,156	1,156
Sewage System:										
Miles of sanitary sewers	112	117	117	120	120	120	120	122	122	123
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of service connections	6,700	7,154	7,215	7,332	7,398	7,464	7,542	7,569	7,786	7,829
Maximum daily capacity of treatment (millions of gallons)	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7

Data Source:
Various city departments

City of Dover, New Hampshire

City Government Employees by Function - Full Time Equivalents Last Ten Fiscal Years

Function	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Executive (1)	11.4	13.5	12.6	12.9	13.7	12.7	8.0	8.1	7.8	8.1
Finance (1)	16.0	16.0	16.0	16.0	16.0	16.0	20.0	20.0	20.0	20.3
Planning (2)	10.0	10.0	10.6	10.6	9.6	5.5	4.8	5.5	5.5	5.5
Total General Government	37.4	39.5	39.2	39.5	39.3	34.2	32.6	33.6	33.3	33.9
Public Safety										
Police - Sworn Officers	54.6	54.6	55.7	52.6	50.5	48.4	47.4	47.4	47.4	47.4
Police - Non-sworn employees	24.0	24.5	25.6	27.1	27.6	25.6	26.8	29.4	29.4	28.7
Total Police Department	78.7	79.1	81.3	79.7	78.1	74.0	74.2	76.8	76.8	76.1
Fire and Rescue (2)	50.3	50.3	54.6	54.6	54.6	61.1	61.7	61.7	61.4	60.5
Total Public Safety	128.9	129.5	135.8	134.3	132.7	135.1	135.9	138.5	138.2	136.6
Public Works										
General Fund functions	43.5	43.4	43.8	39.4	38.5	36.6	37.3	35.6	34.6	34.5
Water	13.5	13.5	13.5	13.0	13.0	13.0	11.0	10.5	10.5	10.5
Sewer	16.0	16.0	16.0	16.0	16.0	16.0	17.0	17.0	15.0	15.0
Fleet maintenance	5.9	6.0	6.0	5.7	5.0	5.0	5.0	5.0	5.0	5.0
Total Public Works	78.9	78.9	79.3	74.2	72.5	70.6	70.3	68.1	65.1	65.0
Culture and Recreation										
Recreation	33.8	34.4	33.5	33.1	34.9	34.8	36.2	34.4	34.4	32.7
Public Library	15.6	15.5	15.8	15.8	14.8	13.8	13.5	13.4	13.4	13.9
Total Culture and Recreation	49.3	49.9	49.2	48.9	49.7	48.6	49.7	47.8	47.8	46.6
Public Welfare										
Welfare	5.4	5.3	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
Total Public Welfare	5.4	5.3	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
Total All Functions	299.9	303.0	306.4	299.5	297.0	291.3	291.5	290.8	287.2	284.9

Percent of Total										
General Government	12.5%	13.0%	12.8%	13.2%	13.2%	11.7%	11.2%	11.6%	11.6%	11.9%
Public Safety	43.0%	42.7%	44.3%	44.8%	44.7%	46.4%	46.6%	47.0%	48.1%	47.9%
Public Works	26.3%	26.0%	25.9%	24.8%	24.4%	24.2%	24.1%	23.4%	22.7%	22.8%
Culture and Recreation	16.5%	16.5%	16.1%	16.3%	16.7%	16.7%	17.1%	16.4%	16.6%	16.4%
Public Welfare	1.8%	1.7%	0.9%	0.9%	0.9%	1.0%	1.0%	1.0%	1.0%	1.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data Source:
Budgeted Positions per City of Dover Budget. Full time equivalent based on 40 hours per week.

Notes

- (1) The City Clerk Office was transferred from Executive Department to Finance Department in FY10
- (2) The Building Inspection Division of the Planning Department was transferred to the Fire and Rescue Department in FY09.

City of Dover, New Hampshire

School Building Information Last Ten Fiscal Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Garrison Elementary										
Square feet	49,678	55,178	65,938	65,938	65,938	65,938	65,938	65,938	65,938	65,938
Teachers	31.3	24.9	25.5	31.5	31.5	33.7	34.4	28.3	27.3	27.3
Capacity	612.5	672.5	672.5	672.5	672.5	672.5	672.5	672.5	672.5	672.5
Enrollment	428.0	400.0	379.0	512.0	523.0	541.0	536.0	555.0	452.0	469.0
Horne Street Elementary										
Square feet	48,236	48,236	48,236	48,236	48,236	48,236	48,236	58,223	58,223	58,223
Teachers	23.8	26.4	24.4	22.4	25.5	25.5	24.2	28.3	28.3	28.3
Capacity	612.5	612.5	612.5	612.5	612.5	612.5	612.5	620.5	620.5	620.5
Enrollment	435.0	447.0	474.0	358.0	370.0	365.0	370.0	400.0	507.0	516.0
Woodman Park Elementary										
Square feet	73,108	73,108	73,108	105,178	105,178	105,178	105,178	105,178	105,178	105,178
Teachers	27.5	29.8	30.8	32.3	32.3	28.9	30.6	32.3	31.3	31.3
Capacity	477.5	477.5	477.5	594.0	594.0	594.0	594.0	594.0	594.0	594.0
Enrollment	478.0	460.0	454.0	468.0	482.0	506.0	537.0	575.0	596.0	617.0
Totals All Elementary Schools										
Square feet	171,022	176,522	187,282	219,352	219,352	219,352	219,352	229,339	229,339	229,339
Teachers	82.6	81.1	80.7	86.2	86.2	88.1	89.2	88.9	86.9	86.9
Capacity	1,702.5	1,762.5	1,762.5	1,879.0	1,879.0	1,879.0	1,879.0	1,887.0	1,887.0	1,887.0
Enrollment	1,342.0	1,307.0	1,307.0	1,338.0	1,375.0	1,412.0	1,443.0	1,530.0	1,555.0	1,602.0
Dover Middle School										
Square feet	175,020	175,020	175,020	175,020	175,020	175,020	175,020	175,020	175,020	175,020
Teachers	73.5	67.7	75.0	72.9	72.9	67.7	66.4	67.7	66.7	66.7
Capacity	1,380.0	1,380.0	1,380.0	1,380.0	1,380.0	1,380.0	1,380.0	1,380.0	1,380.0	1,380.0
Enrollment	1,142.0	1,098.0	1,082.0	1,109.0	1,116.0	1,094.0	1,077.0	1,084.0	1,089.0	1,115.0
Dover High School										
Square feet	234,670	234,670	234,670	234,670	234,670	234,670	234,670	234,670	234,670	234,670
Teachers	107.4	110.8	110.4	116.8	116.8	116.8	112.8	113.3	107.3	107.3
Capacity	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0
Enrollment	1,742.0	1,658.0	1,866.0	1,779.0	1,692.0	1,728.0	1,649.0	1,573.0	1,480.0	1,396.0
Totals All Schools										
Square feet	580,712	586,212	596,972	629,042	629,042	629,042	629,042	639,029	639,029	639,029
Teachers	263.5	259.4	266.1	275.9	275.9	272.6	268.4	269.9	260.9	260.9
Capacity	4,842.5	4,902.5	4,902.5	5,019.0	5,019.0	5,019.0	5,019.0	5,027.0	5,027.0	5,027.0
Enrollment	4,226.0	4,063.0	4,255.0	4,226.0	4,183.0	4,234.0	4,169.0	4,187.0	4,124.0	4,113.0
Food Service - All Schools										
Number Meals Served	352,408	351,783	333,139	340,863	335,834	341,272	355,209	358,754	363,718	345,427
Avg Daily Participation	1,958	1,954	1,851	1,894	1,868	1,898	1,973	1,993	2,021	1,939

Data Source:
School Department - as of official NH Department of Education reporting date: Oct 1st

City of Dover, New Hampshire

School Department Operating Statistics

Last Ten Fiscal Years

Fiscal Year	Operating Budget (1)	Debt Service (1)	Total Budget	Enrollment (2)	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio	Attendance Percentage
2013	\$ 42,264,590	\$ 3,988,329	\$ 46,252,919	4,113	\$ 11,246	1.4%	260.9	15.8	94.9%
2012	41,677,206	4,075,515	45,752,721	4,124	11,094	3.9%	260.9	15.8	94.8%
2011	40,468,900	4,245,221	44,714,121	4,187	10,679	-0.2%	269.9	15.5	94.7%
2010	40,699,081	3,934,140	44,633,221	4,169	10,706	5.5%	268.4	15.5	94.6%
2009	39,216,997	3,761,337	42,978,334	4,234	10,151	2.1%	272.6	15.5	94.6%
2008	37,912,706	3,689,854	41,602,560	4,183	9,946	7.8%	275.0	15.2	95.2%
2007	36,203,218	2,799,270	39,002,488	4,226	9,229	6.2%	275.9	15.3	94.6%
2006	34,363,074	2,598,888	36,961,962	4,255	8,687	2.3%	266.1	16.0	94.5%
2005	32,065,504	2,448,119	34,513,623	4,063	8,495	8.0%	259.4	15.7	95.2%
2004	30,922,459	2,316,331	33,238,790	4,226	7,865	1.3%	263.0	16.1	94.8%

Data Source:

Budget information from City Adopted Budget and non-financial information provided by the School Department.

Notes:

(1) Budget is for the General Fund only and excludes grant funds and cafeteria fund.

(2) Enrollment is based on start of year census.

City of Dover, New Hampshire

School Educational and Service Information Last Ten Fiscal Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Dover High School										
Senior Enrollment (1)	357	355	353	411	393	391	382	350	363	327
Status of Seniors (2)										
Graduated	352	336	335	372	366	352	378	337	345	336
Enrolled in four-year college	143	141	140	167	162	180	177	158	153	141
Enrolled in two-year college	68	74	60	76	84	70	88	63	74	104
Enlisted in Armed Forces	16	10	10	5	18	10	14	11	9	7
Post-secondary, workforce or other	125	104	125	124	102	92	99	105	109	84
SAT Mean Scores										
Verbal	515	518	503	518	512	497	500	495	509	509
Math	511	516	504	520	517	507	508	501	511	521
% of Seniors taking test	65%	65%	62%	61%	62%	63%	60%	61%	66%	63%

Data Source:

School Department - as of official NH Department of Education reporting date: Oct 1st

NOTES:

- (1) As of Official DOE Reporting Date: Oct 1st. Enrollment includes tuition students.
- (2) As of end of fiscal year.

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